

# COMMERCIAL LEASE

1612 LaPorte Avenue, Fort Collins, Colorado 80521

Unit \_\_\_\_\_  
(Unit)

Between

Armadillo Property Management Inc.,  
a Colorado corporation, as agent for the owner,  
(Landlord)

and

\_\_\_\_\_  
(Tenant)

Dated: \_\_\_\_\_

## COMMERCIAL LEASE

This Commercial Lease ("Lease") is entered into effective as of \_\_\_\_\_, 20\_\_\_\_, by Armadillo Property Management Inc., a Colorado corporation ("Landlord"), and \_\_\_\_\_ ("Tenant").

1. **Definitions.** The following capitalized words or phrases shall be as defined below. In addition, other capitalized words and phrases may be defined elsewhere in this Lease.

1.1 **Property.** "Property" means the real estate owned by Landlord with the street address of 1612 LaPorte Avenue, Fort Collins, Colorado.

1.2 **Building.** "Building" means the commercial building located on the Property within which the Unit is located.

1.3 **Unit.** "Unit" means the Unit numbered \_\_\_\_\_ located within the Building and having a street address of 1612 LaPorte Avenue, Fort Collins, Colorado 80521.

1.4 **Common Areas.** The Common Areas include, but are not limited to, the restrooms, break room, and parking lot, provided that Landlord may modify the Common Areas at Landlord's discretion and without offset, reduction, or increase in rent

## 2. Lease of Unit

2.1 **Lease of Unit.** Landlord leases the Unit to Tenant, and Tenant leases the Unit from Landlord, under the terms and conditions of this Lease.

2.1.1 **Parking.** During the Lease Term, Tenant shall have common use of the non-reserved parking spaces in the lot along with Landlord, other tenants, and their invitees. Tenant shall provide Landlord with a list of license plate numbers for the cars owned by Tenant or its employees or agents. Landlord reserves the right to modify the parking rules, which it will do in writing and provide notice to Tenant.

2.1.2 **Shared Use of Common Areas.** During the Lease Term, Tenant shall have common use of the Common Areas, including the non-reserved parking spaces in the lot, along with Landlord, other tenants, and their invitees. Tenant shall not obstruct or damage the Common Areas and Tenant shall be responsible for damages to the Common Areas caused by Tenant or Tenant's employees, agents, guests, or invitees.

2.1.3 **Building Rules.** By executing this agreement, Tenant agrees abide by the building rules, which Landlord may update or revise from time to time.

2.2 **Term.** The Lease Term shall commence at 12:00 noon on \_\_\_\_\_ ("Commencement Date"). Tenant shall receive possession of the Unit from Landlord on the Commencement Date. Unless sooner terminated as provided in this Lease, the Lease Term shall end at 12:00 noon on \_\_\_\_\_ ("Termination Date"). The Lease Term shall automatically end on the Termination Date without the need for notice by either party.

### 3. Tenant Modifications.

3.1 **Modifications.** Tenant shall have the right, at Tenant's sole expense, to make alterations to the Unit provided that any alteration is subject to the following conditions:

3.1.1 No alteration shall commence prior to the Landlord's written approval of the proposed alteration to the Unit.

3.1.2 No alteration shall be made that impairs the structural soundness or diminishes the value of the Building or unreasonably disturbs or interferes with the quiet enjoyment of other tenants.

3.1.3 Tenant shall promptly pay all costs associated with the alterations and shall not allow any liens to be placed on the Unit or the Property.

3.1.4 Tenant shall remove alterations at the end of the Lease Term, unless the Landlord gives written permission for the alterations to remain.

3.2 **Signs.** Tenant shall not install any sign or other advertising material on or in the vicinity of the Unit or the Building without the prior written approval of Landlord, which may not be unreasonably withheld. All signs must meet applicable code regulations and be properly permitted. Tenant shall maintain all signage or other advertising material which has been approved in good condition and repair. Upon expiration or sooner termination of this Lease, all signage or other advertising material of Tenant must be removed and the Building or Unit restored to its prior condition at the expense of Tenant.

### 4. Rent.

4.1 **Amount.** Tenant shall pay Landlord \$\_\_\_\_\_ ("Rent") per month for each calendar month of the Lease Term, which shall be due in advance no later than the first day of the calendar month. If appropriate, the Rent for any partial month of the Lease Term shall be prorated.

4.2 **Delivery of Rent.** Rent is due on or before the first day of the calendar month. If the due date falls on a weekend or holiday, it is the Tenant's responsibility to make sure rent is paid before the due date. Rent shall be delivered to Armadillo Property Management Inc., 521 N. Taft Hill Road, Fort Collins, Colorado 80521, via the Landlord's online portal, or at such other location as Landlord may direct in writing.

4.3 **Late Fees.** If Rent is not paid by the 7th day of the month, then a late fee equal to the greater of \$50.00 or 5% of the unpaid amount shall be assessed on the 8th day of the month.. Any amount payable by Tenant to Landlord that is not paid when due shall bear interest at 12% per annum from due date until paid. Payment of late fees or interest shall not cure any default by Tenant under this Lease.

5. **Security Deposit.**

5.1 Concurrently with executing this Lease, Tenant shall pay Landlord the amount of \$\_\_\_\_\_ to be held by Landlord as security for Tenant's performance of the terms and conditions of this Lease. Landlord shall not be required to pay Tenant any interest on the deposit. Nothing shall limit the liability of Tenant for any damage to the Unit and Tenant shall be responsible for the total amount of any damage cause by the Tenant or Tenant's agents, employees, or invitees.

5.2 **Deductions.** If Tenant fails to perform obligations during the Lease Term, Landlord, at Landlord's sole discretion, may undertake to perform Tenant's obligations under the Lease at Tenant's expense. Landlord may deduct from the deposit the reasonable costs or sum advanced by Landlord to cure any default of Tenant. If deductions occur, Tenant shall, within 15 days after written notice from Landlord, redeposit with Landlord the amount expended in order to maintain the deposit in its original amount. Failure to redeposit shall be deemed a default of this Lease.

5.3 **Return of Security Deposit.** If Tenant has fully performed every obligation under this Lease, Landlord shall return the security deposit, or any remaining balance, to Tenant within 60 days following the expiration of the Lease Term. The security deposit, or any remaining balance, and a written accounting of any deduction, if applicable, shall be mailed to a forwarding address that Tenant must provide to Landlord in writing before the Lease Term ends. If Tenant does not provide a forwarding address, Landlord may mail the same to the Unit address.

5.4 **Transfer of Security Deposit.** Landlord may deliver the funds deposited by Tenant to any purchaser of Landlord's interest in the Unit and, if so, Landlord shall be discharged from any further liability with respect to the deposit.

6. **Use.**

6.1 **Permitted Use.** The Unit will be used solely for any or all of the following uses:

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Any other use of the Unit requires Landlord's prior written consent, which consent may be withheld in the sole discretion of Landlord. Landlord makes no representations as to what uses are allowed by applicable governmental laws or regulations for the Unit. Tenant is responsible to determine, through the appropriate governmental entities, that its intended use is allowed by such entities. Any costs incurred by Tenant to secure approval by any governmental entities shall be at the sole cost and expense of Tenant.

6.2 **Compliance.** Tenant, at its sole expense, shall comply with the laws of the United States of America, the State of Colorado, Larimer County, and the City of Fort Collins, as well as all other laws or regulations that apply to Tenant or Tenant's business.

6.3 **Prohibited Use.**

6.3.1 **General Prohibitions.** Tenant shall not commit any waste on the Unit. Tenant shall not permit any nuisance to be maintained on the Unit. Tenant shall not permit disorderly conduct or other activity that annoys or disturbs other Building occupants or adjoining properties. Tenant shall not use the Unit in any manner that may cause damage to the Unit, the Building, the Property, or the unit or properties of other Building tenants. Tenant shall not use the Unit for any purpose that would void the insurance or increase the insurance risk to the Unit, Building, or Property. Tenant shall be responsible for the increased costs of Landlord's insurance if, due to Tenant's act or omissions that in whole or in part, Landlord's insurance expenses increase.

6.3.2 **Electrical Appliances.** Tenant shall not use any equipment or devices that use excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants. Examples of such items include, but are not limited to, dehumidifiers, window unit air conditioners, space heaters, microwave ovens, refrigerators of any size, electric irons. Tenant shall be responsible for any damage caused by any electrical device.

6.3.3 **Hazardous Materials.** Tenant shall not use, generate, store, or dispose of any dangerous materials on or about the Unit. Tenant shall not transport or permit the transportation of dangerous materials to or from the Unit. If Tenant breaches this provision, Tenant shall, at Tenant's sole expense, cure such breach by taking all action prescribed by any governmental authority with jurisdiction over such matters. Tenant shall indemnify and hold Landlord harmless from all claims or expenses that arise in connection with the breach of this provision.

6.4 **Quiet Enjoyment.** Upon payment of Rent and compliance with the provisions of this Lease, Tenant shall have quiet enjoyment of the Unit.

7. **Assignment or Subletting Prohibited.** Tenant may not assign this Lease (whether by merger, consolidation, dissolution, operation of law, or otherwise) or sublet the Unit (or any part of the Unit).
8. **Condition of Unit.** Tenant has had the opportunity to inspect the Unit. Tenant accepts the Unit in its "as is" condition as of the Commencement Date. At the expiration or earlier termination of Tenant's right of possession, Tenant shall surrender possession of the Unit in broom-clean condition and in good repair, normal wear and tear excepted. Tenant shall remove any modifications and restore the Unit to its pre-modified state, unless the Landlord provides written permission to the contrary.
9. **Utilities.** Landlord shall pay the following utilities: gas, water, electric, trash removal, and sewer. Tenants shall be solely responsible for telephone and other communication services, together with any other utility service used or consumed on the Unit. For any other utility services that are not separately metered to Tenant or included in this paragraph, Tenant shall pay a reasonable portion as determined by Landlord of all charges jointly metered with any other unit, so long as the cost does not exceed that which the utility company would have charged Tenant for furnishing such services directly. If Tenant requires additional heating, cooling or janitorial

services, Tenant shall pay a reasonable charge determined by Landlord including any special controls, equipment, labor costs and related administrative expenses.

9.1 Landlord shall not be liable for, and Tenant shall not be entitled to, any rent reduction by reason of Landlord's failure to furnish any utility services when the failure is caused by any reason beyond the reasonable control of Landlord. Landlord shall not be liable for loss of or injury to property arising as a result of failure to furnish any of the foregoing unless said failure is due to any intentional or grossly negligent act or omission of Landlord.

9.2 If any utility company supplying service to the Unit determines that an additional payment or penalty is necessary due to Tenant's use of the Unit, the Tenant shall solely bear the expense. This expense shall be paid promptly, and any repairs or modifications requested by the utility company shall be performed by Tenant immediately.

## 10. Taxes.

10.1 **Real Property Taxes and Assessments.** Landlord shall pay all general real estate taxes and installments of special assessments coming due during the Lease Term on the Property.

10.2 **Tenant's Responsibility.** Tenant shall pay, or cause to be paid, before delinquency, all taxes arising from the operation of Tenant's business in the Unit including, without limitation, City of Fort Collins, Larimer County, and State of Colorado sales tax, as well as State and Federal withholding taxes. In addition, Tenant shall pay all assessments that become payable during the Lease Term made on any of Tenant's leasehold improvements, equipment, furniture, fixtures, and personal property located in the Unit that is charged to the Landlord. Tenant must pay this assessment with 15 days of Landlord's written demand for payment.

## 11. Insurance.

11.1 **Landlord's Insurance.** Landlord shall maintain general commercial liability, fire, and extended coverage insurance on the Property in the amount Landlord deems appropriate. Tenant shall not look to or rely on Landlord for insurance coverage or indemnification.

11.2 **Tenant's Insurance.** Tenant shall procure, pay for, and maintain commercial general liability insurance providing coverage for any loss occasioned by any accident or casualty on or about the Unit. Tenant's liability policy shall be written on an "occurrence basis" with limits of not less than a combined \$2,000,000 bodily injury liability coverage and property damage liability coverage. Tenant shall also procure and maintain additional insurance as Tenant considers necessary covering Tenant's leasehold improvements, trade fixtures, and other personal property. Tenant shall deliver certificates for its insurance to Landlord. Tenant's insurance shall be fully paid and shall not be changed without thirty days' prior written notice to Landlord. If Tenant cancels its insurance, Landlord may terminate the Lease. Landlord shall be named as an additional insured on all of Tenant's insurance policies.

## 12. Repairs.

12.1 **Landlord.** The Landlord shall be responsible for maintenance, repair, and replacement of the exterior structural components of the Building (being exterior walls (but not windows and doors), roof, and foundation) and the Common Areas. Landlord shall also be responsible for snow removal in the parking lot.

12.2 **Tenant.** Tenant shall be responsible for all maintenance, repair, and replacement within the Unit including, without limitation, interior walls, all doors, and all windows. Tenant shall also be responsible for any repairs or replacements to the Unit, Building, or Property that become necessary due to any act or omission of Tenant or Tenant's employees, agents, or invitees. Tenant shall keep the Unit clean and in good sanitary condition.

## 13. Landlord's Right of Entry and Inspection.

13.1 Landlord shall have the right to enter into and upon the Unit at any reasonable hour upon reasonable notice for the purpose of examining the Unit. In the event of an emergency, Landlord shall not be required to provide notice in advance of entering the Unit.

13.2 Landlord or Landlord's agent shall have the right to show the Unit to persons wishing to lease the Premises at reasonable hours during the ninety-day period prior to the expiration of the Lease Term. Landlord or Landlord's agent shall also have the right to show the Unit to prospective purchasers at any reasonable hour upon reasonable notice

14. **Damage or Destruction.** If the Building is totally destroyed or so badly damaged that, in the opinion of Landlord, it is not feasible to repair or rebuild the Building, Landlord shall have the right to terminate this Lease upon written notice to Tenant. Such notice shall be given within 75 days after such fire or other casualty occurs. If the Building is partially damaged but still tenantable (as reasonably determined by Landlord), an appropriate reduction of the rent shall be allowed until repairs are substantially completed. Landlord shall undertake and complete such repairs with due diligence. If such repairs cannot be completed within 150 days after the damage, Tenant may terminate this Lease by giving written notice of termination to Landlord at any time prior to the completion of such work.

15. **Condemnation.** If the Property or Building are taken through lawful condemnation proceedings, this Lease shall terminate as of the date that legal title of the Property or Building vests in the condemning authority, or the date such authority takes possession of the Property or Building, whichever is earlier. Landlord shall have the exclusive right to any award made by the condemning authority. Tenant waives and relinquishes any and all claim Tenant may have against the award and all other claims for compensation or damages against Landlord arising from the condemnation.

16. **Sale of Building.** If Landlord sells the Property, Landlord shall be relieved of all liability under this Lease arising out of any act or omission occurring after the consummation of such sale. The

purchaser at such sale or any subsequent sale of the Building shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser, to have agreed to carry out all of the obligations of Landlord under this Lease.

17. **Tenant's Indemnification and Hold Harmless.** Tenant shall hold Landlord harmless from all claims, liabilities, losses, expenses, costs, judgments, and/or demands, including court costs and attorneys' fees (1) arising from Tenant's use or occupancy of the Unit, (2) arising from any act or omission of Tenant, its agents, contractors, servants, employees, licensees, customers or invitees in or about the Unit, and (3) arising from any Lease breach or default on the part of Tenant, gross negligence and willful conduct excepted.
18. **Acts of Omissions of Others.** Landlord, its employees and agents, shall not be responsible or liable to Tenant or to Tenant's guests, invitees, employees, agents or any other person or entity, for any loss or damage that may be caused by the acts or omissions of other owners, tenants, their guests or invitees, occupying any other part of the Property in which the Unit are located, or by persons who are trespassers on or in the Unit.
19. **Notice.** All notices that may be or are required to be given by either party to the other shall be in writing.
  - 19.1 Notices given to Tenant shall be properly given if personally served on Tenant or an employee of Tenant, posted on the Unit, or mailed to Tenant by United States certified mail, return receipt requested, postage prepaid, addressed to Tenant at the Unit, or at such other place as Tenant may designate in a written notice to Landlord.
  - 19.2 Notices given to Landlord shall be properly given if personally served on Landlord or if mailed to Landlord via United States certified mail, return receipt requested, postage prepaid, addressed to Landlord at:

Armadillo Property Management Inc.  
521 N. Taft Hill Road  
Fort Collins, Colorado 80521  
970-482-9293

or at such other place as Landlord may designate in a written notice to Tenant.
  - 19.3 Any notice given by personal service or posting shall be effective upon such service or posting. Any notice given by mail shall be effective as of the date of mailing.
20. **Dishonored Payments.** In the event any payment due under this Lease is dishonored for any reason not attributable to Landlord, Landlord shall be entitled, in addition to any other remedy that may be available, (1) to collect from Tenant an administrative charge of \$20.00 and (2) to require Tenant to make all future rental payments by cash or cashier's check, at Landlord's sole option.
21. **Holding Over.** If Tenant remains in possession of the Unit after the termination of this Lease without the Landlord's written agreement, Tenant shall be deemed a month-to-month Tenant. The Rent during such holdover tenancy shall be 125% of the Rent paid for the last month of

tenancy under this Lease. No holding over by Tenant shall renew or extend this Lease without the Landlord's written consent.

## 22. Default Provisions

22.1 **Tenant's Breach.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

22.1.1 Tenant fails to pay Rent when due;

22.1.2 Tenant fails to perform any Lease terms for which it is responsible, and such failure has continued without being cured for a period of ten days after notice of such default. If the default cannot be cured within a ten-day period, then Tenant's failure to commence corrective action within the ten-day period and failure to complete the corrective action with reasonable diligence;

22.1.3 Tenant abandons the Unit;

22.1.4 Tenant's adjudication as bankrupt or insolvent, Tenant's filing of a petition in bankruptcy, the filing of an involuntary bankruptcy against Tenant (unless said involuntary bankruptcy is terminated within thirty (30) days from the date of said filing), or Tenant's filing in any court for the appointment of a receiver or trustee for all or a portion of Tenant's property, unless said receiver or trustee is terminated within thirty (30) days from the date of said appointment;

22.1.5 Tenant's assignment or transfer of its interest under this Lease;

22.1.6 Any other default provision available at law or in this Lease.

22.2 **Landlord's Remedies.** In the event of any default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach, elect to:

22.2.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession actually paid; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the Lease Term after the time of such award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided; and that portion of the leasing commission paid by Landlord and applicable to the unexpired term of this Lease; and any leasing commission for obtaining a new tenant for the Premises. In the event Tenant shall have abandoned the Premises, Landlord shall have the option of (i) taking possession of the Premises and recovering from Tenant the amount specified in this paragraph, or (ii) proceeding under the provisions of the following **Section 21.2.2**; or

22.2.2 Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to demand the entire amount of rent herein reserved or agreed to be paid for the entire term of this Lease as if the whole rent for the entire term were payable in advance.

22.2.3 In consideration of the mutual benefits arising under this Lease, Tenant hereby grants to Landlord a lien for rent and security interest in, on and against all personal property of Tenant from time to time situated on the Premises, which lien shall secure the payment of all rental and all other charges payable by Tenant to Landlord under the terms hereof. The provisions of this paragraph relating to said lien and security interest shall constitute a security agreement under the Uniform Commercial Code ("Code") so that Landlord shall have and may enforce a security interest in all property of Tenant now or hereafter placed in or on the Premises, including but not limited to all fixtures, machinery, equipment, inventory, furnishings and other articles or personal property now or hereafter placed in or upon the Premises by Tenant. Landlord may file such financing statement or statements as Landlord may now or hereafter determine to be necessary to perfect such security interest or interests pursuant to the Code. Landlord, as secured party, shall be entitled to all of the rights and remedies afforded a secured party under said Code in addition to and cumulative of the Landlord's liens and rights provided by law or by the other terms and provisions of this Lease. Landlord agrees to subordinate its security interest in Tenant's personal property to the security interest of Tenant's primary business lender.

22.3 **Other Remedies.** In addition to the remedies set forth in the Lease, Landlord may pursue any other remedy and does not waive any legal or equitable remedy available under Colorado law.

22.4 **Landlord's Breach.** In the event of any default or breach by Landlord, Tenant shall provide Landlord with written notice of the default and Landlord shall have 20 days to cure the default from the date of notice, except that Landlord shall not be in default if Landlord commences cure within the timeframe set forth herein and diligently pursues the cure.

22.5 **Attorney Fees and Costs.** If any party defaults in the performance of its obligations under this Lease, the defaulting party shall pay all of the non-defaulting party's costs and expenses, including reasonable attorney fees, incurred as a result of such default, whether or not litigation is commenced.

## 23. Miscellaneous

23.1 **Controlling Law and Venue.** This Lease shall be interpreted under Colorado law. Any dispute resulting in litigation shall be resolved in court proceedings instituted in Larimer County and in no other jurisdiction.

23.2 **Entire Agreement.** This Lease sets forth the complete agreement between the Landlord and the Tenant relative to the Unit. No promises, agreements, conditions, or

understandings, either oral or written, are enforceable between the parties other than as set forth in this Lease.

23.3 **Modification or Extensions.** No modification or extension of this Lease shall be binding upon the parties unless in writing and signed by the parties.

23.4 **Severability.** If any provision of this Lease shall be ruled invalid or unenforceable to any extent, the remainder of this Lease remains in force.

23.5 **Waiver.** Landlord's failure to exercise a right granted under this Lease shall not waive Landlord's right to exercise that right at a later time. . The subsequent acceptance of rent by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of the acceptance of such rent. The remedies under this agreement do not exclude any other remedies allowed by law.

23.6 **Survival of Terms.** To the extent necessary to give them effect, the terms of this Lease shall survive its termination.

23.7 **Status Statement.** If Landlord requests, Tenant agrees to execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same are in full force and effect as modified and stating the modifications); Tenant has accepted and occupied the Premises; Tenant has not paid rent in advance; Tenant is not aware of any prior assignment of this Lease by Landlord; Tenant has no offsets against the rent or claims against Landlord; amount of the total monthly rent then being paid by Tenant; and, the date to which rent and other charges have been paid.

24. **Personal Guaranty.** Tenant's obligations under the Lease shall be personally guaranteed by \_\_\_\_\_ (collectively, "Guarantors"), each of whom shall be jointly and severally liable for Tenant's performance of the Lease and each of whom shall individually sign a Personal Guaranty in the form set forth in **Exhibit A**.

THIS FORM HAS NOT BEEN APPROVED BY THE COLORADO REAL ESTATE COMMISSION AND IT MAY NOT BE ALTERED OTHER THAN BY COMPLETING ANY BLANK SPACES IN THE FORM. THIS FORM WAS PREPARED BY JOHNSON MUFFLY & DAUSTER, PC FOR ARMADILLO PROPERTY MANAGEMENT INC.

[Signatures on Following Page]

LANDLORD:

ARMADILLO PROPERTY MANAGEMENT INC.  
a Colorado corporation

By: \_\_\_\_\_  
Authorized Agent

TENANT:

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

### Personal Guaranty

This Personal Guaranty (“Guaranty”) is made effective as of the date set forth below by \_\_\_\_\_ (collectively, “Guarantor”) to and for the benefit of Armadillo Property Management Inc. (“Landlord”).

### Recitals

A. \_\_\_\_\_ (“Tenant”), is the Tenant under the Commercial Lease dated \_\_\_\_\_ (“Lease”) for real property more particularly described in the Lease (“Premises”).

B. Landlord is willing to consent to Tenant leasing the Premises on the condition that Guarantor guarantees payment of amounts payable by Tenant under the Lease and performance of Tenant’s other obligations under the Lease, as provided in this Guaranty.

### Guaranty

In consideration of Landlord entering into the Lease and for valuable consideration, the receipt and sufficiency of which are acknowledged, Guarantor makes the following Guaranty.

1. Guaranty. Guarantor unconditionally and absolutely guarantees (a) due and punctual payment of all rent, operating expenses, and other financial obligations payable under the Lease; and (b) prompt and complete performance by Tenant of all obligations under the Lease. Furthermore, Guarantor shall indemnify and hold Landlord harmless from and against any liability, loss, damages or costs (including reasonable attorneys’ fees) arising out of any failure by Tenant to pay rent or perform any of its obligations under the Lease.

2. Nature of Guaranty. This Guaranty is absolute, unconditional and irrevocable and the obligations of Guarantor will not be released, discharged, mitigated, impaired or affected by (a) any extension of time, indulgences or modifications which Landlord extends to or makes with Tenant with respect to the performance of any of the obligations of Tenant under the Lease; (b) any waiver by or failure of Landlord to enforce any of the terms, covenants and conditions contained in the Lease; (c) any bankruptcy or debtor-creditor proceedings, nor any assignment of the Lease by Tenant or by any trustee, receiver or liquidator; (d) any consent which Landlord gives to any assignment or subletting; (e) any amendment to the Lease or any waiver by Tenant of any of its rights under the Lease; or (f) the expiration of the term. Guarantor will, without limiting the generality of the foregoing, be bound by this Guaranty in the same manner as if Guarantor was named in the Lease as Tenant.

3. Notice. Guarantor waives notice of the acceptance of this Guaranty, the Lease and/or any amendment or modification to the same, and all notice of nonperformance, non-payment or nonobservance on the part of Tenant of Tenant’s obligations under the Lease. Any notice which Landlord desires to give to Guarantor will be sufficiently given if delivered personally to Guarantor or if mailed by prepaid registered or certified post addressed to Guarantor at the Premises, and every notice is deemed to have been given upon the day it was delivered personally, or if mailed, three days

after it was mailed. Guarantor may, by written notice, designate a substitute address for that set forth above and thereafter notices will be directed to the substitute address.

4. Enforcement Costs. In the event Landlord incurs any expenses in the enforcement of this Guaranty whether legal action be instituted or not, the undersigned agrees to be liable for same (including reasonable attorneys' fees) and to pay same promptly on demand by Landlord.

5. Direct Enforcement Against Guarantor. In the event of a default under the Lease or under this Guaranty, Guarantor waives any right to require Landlord to (a) proceed against Tenant or pursue any rights or remedies against Tenant with respect to the Lease, (b) proceed against or exhaust any security of Tenant held by Landlord, or (c) pursue any other remedy whatsoever in Landlord's power. Landlord has the right to enforce this Guaranty regardless of the acceptance of additional security from Tenant and regardless of any release or discharge of Tenant by Landlord or by others or by operation of any law.

6. Continuing Liability of Guarantor. The liability of Guarantor is not and is not deemed to have been waived, released, discharged, impaired or affected by reason of the release or discharge of Tenant in any receivership, bankruptcy, winding-up or other debtor-creditor proceedings or the rejection, disaffirmance or disclaimer of the Lease in any proceeding and will continue with respect to the periods prior thereto and thereafter, for and with respect to the term as if the Lease had not been disaffirmed or disclaimed, and in furtherance hereof, Guarantor agrees, upon any such disclaimer, that Guarantor will, at the option of Landlord, become Tenant of Landlord upon the same terms and conditions as are contained in the Lease, applied *mutatis mutandis*. The Guarantor's liability will not be affected by any repossession of the Premises by Landlord provided, however, that the net payments received by Landlord after deducting all costs and expenses of repossessing and reletting the Premises will be credited from time to time by Landlord against the Guarantor's indebtedness and Guarantor will pay any balance owing to Landlord from time to time immediately upon demand.

7. Subsequent Enforcement Proceedings. No action or proceedings brought or instituted under this Guaranty and no recovery in pursuance thereof will be a bar or defense to any further action or proceeding which may be brought under this Guaranty by reason of any further default hereunder or in the performance and observance of the terms, covenants and conditions contained in the Lease.

8. Modification. No modification of this Guaranty will be effective unless the same is in writing and is executed by both Guarantor and Landlord.

9. Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) execute this Guaranty as Guarantor, the liability of each individual, corporation, partnership or other business association hereunder is joint and several. In like manner, if Guarantor is a partnership or other business association, the members of which are by virtue of statutory or general law subject to personal liability, the liability of each such members is joint and several.

10. Defined Terms. Unless otherwise defined in this Guaranty, the terms "Landlord," "Tenant," "Rent," "Operating Expenses," "Lease Term," and "Premises" and other terms or expressions used in this Guaranty, respectively, have the same meaning as in the Lease.

11. Governing Law. This Guaranty will be construed in accordance with the laws of the State of Colorado. Venue shall be in the state courts located in the county where the Premises is located.

12. Binding Effect. Wherever in this Guaranty reference is made to either Landlord or Tenant, the reference is deemed to apply also to the heirs, executors, administrators, successors and permitted assigns of Tenant named in the Lease, and the successors and assigns of Landlord. Any assignment by Landlord of any of its interest in the Lease operates automatically as an assignment to such assignee of the benefit of this Guaranty.

THIS FORM HAS NOT BEEN APPROVED BY THE COLORADO REAL ESTATE COMMISSION AND IT MAY NOT BE ALTERED OTHER THAN BY COMPLETING ANY BLANK SPACES IN THE FORM. THIS FORM WAS PREPARED BY JOHNSON MUFFLY & DAUSTER, PC FOR ARMADILLO PROPERTY MANAGEMENT INC.

Effective on the date last set forth below.

GUARANTOR:

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
\_\_\_\_\_

GUARANTOR:

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
\_\_\_\_\_