

PARKING LOT LEASE

THIS LEASE, dated May 20, 2025, is between SAMUEL AND LETICIA GARCIA, individuals, with an address of P.O. Box 109, New Castle, CO 81647, (the "Landlord"), and THE TOWN OF NEW CASTLE, COLORADO, a Colorado home rule municipality with an address of P.O. Box 90, New Castle, CO 81647 (the "Tenant" or "Town").

I. Premises. The Landlord, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the Tenant, does hereby lease to the Tenant, the Premises situate in the County of Garfield, State of Colorado, described as follows:

The parking lot adjacent to the east side of the restaurant located at 201 W. Main, New Castle, Colorado, and legally described as Block 3, Lot IO - 12, Original Townsite, Town of New Castle, County of Garfield

(the "Premises").

2. Term and Rent. Said Premises, with any appurtenances, are to be leased to the Tenant from June 1, 2025, until May 31, 2026, at and for a rental totaling \$6,000 for the entire 1-year term, payable in monthly payments of \$500.00 per month. Unless otherwise terminated as provided herein, the term of this Lease shall automatically extend for two consecutive one-year terms. The rental for each renewal term will be the same as the rental for the initial term.

3. Use of Premises. Tenant shall have the right to use the premises as a public parking lot, open and available to the public, subject to all applicable ordinances and regulations of the Town as applied generally to Town property during the term of this Lease. Neither Tenant nor Landlord will use or permit the premises to be used for any purposes prohibited by the laws of the United States or of the State of Colorado or the ordinances of the Town.

4. Improvements. Tenant and/or Landlord shall have the right to make such temporary improvements and install such equipment on the premises as may be necessary to make use of the Premises for the purposes described herein; provided, however, that the parties must mutually agree in writing to such improvements before the same are constructed or installed. No permanent improvements shall be installed by either party except pursuant to further written agreement addressing each party's rights and obligations with respect to such improvements. The Town shall have the right to install informational signage to promote public parking and to limit the hours of use, if desired, such as no overnight parking.

5. Maintenance. Each party shall be responsible for maintaining any equipment installed by that party. The Town shall be responsible for routine maintenance of the Premises, and the Landlord shall be responsible for landscape maintenance.

6. Insurance. Landlord shall be responsible for maintaining its own insurance coverage for its own use of the Premises. The Town shall maintain insurance coverage for the use of the Premises by the public and by Town personnel in amounts at least equal to the liability limits of the Colorado Governmental Immunity Act, with Landlord named as an additional insured party. The Town shall provide Landlord with a certificate of insurance evidencing such coverage upon request.

7. No Subletting. No part of the Premises will be sublet, nor will this lease be assigned, without the written consent of the Landlord being first obtained.

8. Default. In the event that either party is in default of any provision of this Lease, and if such default is not cured within ten (10) business days after written notice thereof to the breaching party, then the non-defaulting party shall have the right to declare this Lease

terminated, in which case Tenant's rental obligations for the remaining initial or renewal term, as applicable, shall cease.

9. Subordination. This Lease shall be subordinate to all existing and future security interests on the premises.

10. Notices. All notices shall be in writing and be personally delivered or sent by first-class mail, unless otherwise provided by law, to the respective parties at the addresses set forth above.

10. Miscellaneous. If any term or provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected thereby and shall be valid and enforceable to the full extent permitted by law. This Lease shall only be modified by an amendment signed by both parties. This Lease shall be binding on the parties, their personal representatives, successors, and assigns. The singular shall be deemed to include the plural. Nothing herein shall be deemed a waiver or limitation of the Town's governmental immunity under statute or at common law. All financial obligations of the Town under this Lease shall be subject to annual budgeting and appropriation.

Landlord

Tenant

Landlord