



## TOWN OF NEW CASTLE TEMPORARY ALCOHOLIC BEVERAGE PERMIT

CRS Frens, LLC  
dba: New Castle Liquors  
820 Castle Valley Boulevard, #104  
New Castle, Colorado 81647

Licensed Premises: 820 Castle Valley Boulevard, #104  
Permit #: 24-TEMP-001

New Castle Liquors  
has been granted Town of New Castle Temporary Permit Number 24-TEMP-001

To conduct business and sell malt, vinous and spirituous liquors in accordance with the Retail Liquor Store License of New Castle Liquors., for premises located at 820 Castle Valley Boulevard, #104, known as New Castle Liquors.

This temporary permit shall be valid until such time that the application to transfer ownership of the license to New Castle Liquors is granted or denied, or for one hundred twenty (120) days, whichever occurs first.

Such temporary permit may be cancelled, revoked or summarily suspended if the Town Council of New Castle or the Colorado Department of Revenue determines that there is probable cause to believe that New Castle Liquor has violated any provision of the Colorado Liquor Code or the Colorado Beer Code or has violated any rule or regulation adopted by the Town Council of New Castle or the Colorado Department of Revenue or has failed to truthfully disclose those matters required pursuant to the application forms required by the Colorado Department of Revenue.

Given under my hand and the seal of the Town of New Castle, July 31, 2024.

Town of New Castle

By: Mindy Andis  
Mindy Andis, CMC  
Town Clerk

This license must be posted in a conspicuous place at the license premises and is not transferrable

**NOTICE OF PUBLIC HEARING  
New Castle Town Council**

**Date: September 17,2024**

**Time: 7:00 PM**

**Place of hearing: New Castle Town Hall, 450 West  
Main Street, New Castle, CO**

**Brief description**

**of application: Retail Liquor License for  
Premises located at 820 Castle Valley  
Boulevard, #104, New Castle, CO**

**Applicant: CRS Frens, LLC  
dba: New Castle Liquors**

**Officers: Rajesh Ranjitkar**

**All interested persons are invited to appear and state their views, protests or objections. If you cannot appear personally at such hearing, then you are urged to state your views by letter to the Town of New Castle, P.O. Box 90, New Castle, CO 81647.**

CARL J. REAM

Attorney at Law  
11000 E. Yale Ave., Ste 202  
Aurora, Colorado 80014

Phone (720) 535-4051  
Cell: (303) 257-0660

Telefax (720) 535-9063  
email: [carl\\_ream@hotmail.com](mailto:carl_ream@hotmail.com)

July 26, 2024

New Castle City Clerk's Office  
Attn: Mindy Andis, City Clerk  
PO Box 90  
New Castle, CO 81647

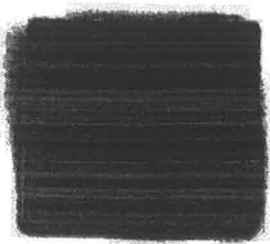
Re: Request for temporary permit for New Castle Liquors, 820 Castle Valley Blvd., Ste 104, New Castle, CO 81647

Dear Ms. Andis:

We would like to apply for a temporary permit to continue operation of New Castle Liquors during the pendency of our application to transfer the retail liquor license of the liquor store. Please find our application fee of \$100 along with this written request.

Sincerely,

  
Carl Ream



**Town of New Castle**  
450 W. Main Street  
PO Box 90  
New Castle, CO 81647

**Administration Department**  
**Phone:** (970) 984-2311  
**Fax:** (970) 984-2716  
[www.newcastlecolorado.org](http://www.newcastlecolorado.org)

### AFFIDAVIT OF TRANSFER AND STATEMENT OF COMPLIANCE

Pursuant to the requirements of 44-3-303(3)(b)(V), Colorado Revised Statutes, Licensee hereby states that all accounts for alcohol beverages sold to the Applicant are:

- ☒ Paid in full. There are no outstanding accounts with any Colorado Wholesalers.
- ☐ Licensee hereby certifies that the attached list is a complete list of accounts for alcohol beverages that are unpaid: *Licensee and Applicant agree that all accounts will be paid for from the proceeds at closing by the:* ☒ Licensee ☐ Applicant
- ☐ Licensee unavailable to certify disposition of accounts for alcohol beverages - Inventory list attached. Transfer by operation of law - Regulation 47-304.
- ☐ Applicant will assume full responsibility for payment of the outstanding accounts as listed above.
- ☐ No alcohol beverage inventory transferred or sold.

Licensee hereby authorizes the transfer of its Colorado Retail Liquor License to the Applicant, its Agent(s), or a company, corporation, partnership or other business entity to be formed by the Applicant. Dated this 26 day of July, 2024

**SELLER:** NEW CASTLE LIQUORS INC

**BUYER:** CRS FRENS LLC

\*(Current Licensee, License number)

03-05761

(Applicant Name - listed on #2 of the DR forms)

Trade Name: NEW CASTLE LIQUORS

Trade Name: NEW CASTLE LIQUORS

Signature: [Signature]

Signature: [Signature]

Print Name JEFFREY SCOTT GAULDIN

Print Name RATESH RANJIT KAR

Position PRESIDENT

Position MANAGING MEMBER

State of Colorado

County of Denver

Subscribed and sworn to before me this 26 day of July, 2024 by: [Signature]

Notary Public: ROHIT MUKHERJEE

My Commission Expires: 4/7/2025 Seal:

ROHIT MUKHERJEE  
NOTARY PUBLIC - STATE OF COLORADO  
Notary ID #20214013567  
My Commission Expires 4/7/2025

## Colorado Liquor Retail License Application

\* Note that the Division will not accept cash ☐ Paid by Check Date Uploaded to MoveIt

☒ Paid Online

8-1-2024 *me*

☐ New License ☐ New-Concurrent ☒ Transfer of Ownership ☐ State Property Only ☐ Master file

- All answers must be printed in black ink or typewritten
- Applicant must check the appropriate box(es)
- Applicant should obtain a copy of the Colorado Liquor and Beer Code: [SBG.Colorado.gov/Liquor](http://SBG.Colorado.gov/Liquor)

Applicant is applying as a/an ☐ Individual ☒ Limited Liability Company ☐ Association or Other  
☐ Corporation ☐ Partnership (includes Limited Liability and Husband and Wife Partnerships)

Applicant Name If an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation

CRS FRENS LLC

FEIN Number

99-3570638

State Sales Tax Number

96358538-0000

Trade Name of Establishment (DBA)

NEW CASTLE LIQUORS

Business Telephone

(970) 984-3707

Address of Premises (specify exact location of premises, include suite/unit numbers)

820 CASTLE VALLEY BLVD STE 104

City

NEW CASTLE

County

GARFIELD

State

CO

ZIP Code

81647

Mailing Address (Number and Street)

SAME

City or Town

State

ZIP Code

Email Address

RAJESHANJITKAR@HOTMAIL.COM

If the premises currently has a liquor or beer license, you **must** answer the following questions.

Present Trade Name of Establishment (DBA)

NEW CASTLE LIQUORS

Present State License Number

03-05761

Present Class of License

RETAIL - CITY

Present Expiration Date

01/10/25

### Section A Nonrefundable application fees\*

- ☐ Application Fee for New License .....\$1,100.00
- ☐ Application Fee for New License with Concurrent Review .....\$1,200.00
- ☒ Application Fee for Transfer.....\$1,100.00

### Section B Liquor License Fees\*

- ☐ Add Optional Premises to H & R .....\$100.00 X  Total
- ☐ Add Sidewalk Service Area.....\$75.00
- ☐ Arts License (City).....\$308.75
- ☐ Arts License (County).....\$308.75
- ☐ Beer and Wine License (City).....\$351.25
- ☐ Beer and Wine License (County).....\$436.25
- ☐ Brew Pub License (City).....\$750.00
- ☐ Brew Pub License (County).....\$750.00
- ☐ Campus Liquor Complex (City) .....\$500.00
- ☐ Campus Liquor Complex (County) .....\$500.00
- ☐ Campus Liquor Complex (State) .....\$500.00
- ☐ Club License (City) .....\$308.75
- ☐ Club License (County).....\$308.75
- ☐ Distillery Pub License (City).....\$750.00
- ☐ Distillery Pub License (County) .....\$750.00
- ☐ Hotel and Restaurant License (City).....\$500.00
- ☐ Hotel and Restaurant License (County) .....\$500.00
- ☐ Hotel and Restaurant License with one optional premises (City).....\$600.00
- ☐ Hotel and Restaurant License with one optional premises (County).....\$600.00

## Section B Liquor License Fees\* (Continued)

<input type="checkbox"/>	Liquor-Licensed Drugstore (City).....	\$227.50
<input type="checkbox"/>	Liquor-Licensed Drugstore (County).....	\$312.50
<input type="checkbox"/>	Lodging & Entertainment - L&E (City) .....	\$500.00
<input type="checkbox"/>	Lodging & Entertainment - L&E (County) .....	\$500.00
<input type="checkbox"/>	Manager Registration - H & R .....	\$30.00
<input type="checkbox"/>	Manager Registration - Tavern .....	\$30.00
<input type="checkbox"/>	Manager Registration - Lodging & Entertainment .....	\$30.00
<input type="checkbox"/>	Manager Registration - Campus Liquor Complex .....	\$30.00
<input type="checkbox"/>	Optional Premises License (City) .....	\$500.00
<input type="checkbox"/>	Optional Premises License (County) .....	\$500.00
<input type="checkbox"/>	Racetrack License (City) .....	\$500.00
<input type="checkbox"/>	Racetrack License (County) .....	\$500.00
<input type="checkbox"/>	Resort Complex License (City).....	\$500.00
<input type="checkbox"/>	Resort Complex License (County).....	\$500.00
<input type="checkbox"/>	Related Facility - Campus Liquor Complex (City).....	\$160.00
<input type="checkbox"/>	Related Facility - Campus Liquor Complex (County) .....	\$160.00
<input type="checkbox"/>	Related Facility - Campus Liquor Complex (State) .....	\$160.00
<input type="checkbox"/>	Retail Gaming Tavern License (City).....	\$500.00
<input type="checkbox"/>	Retail Gaming Tavern License (County).....	\$500.00
<input type="checkbox"/>	Retail Liquor Store License - Additional (City).....	\$227.50
<input type="checkbox"/>	Retail Liquor Store License - Additional (County).....	\$312.50
<input checked="" type="checkbox"/>	Retail Liquor Store (City) .....	\$227.50

### Section B Liquor License Fees\* (Continued)

- ☐ Retail Liquor Store (County).....\$312.50
- ☐ Tavern License (City).....\$500.00
- ☐ Tavern License (County).....\$500.00
- ☐ Vintners Restaurant License (City).....\$750.00
- ☐ Vintners Restaurant License (County).....\$750.00

**Questions? Visit: [SBG.Colorado.gov/Liquor](http://SBG.Colorado.gov/Liquor) for more information**

Do not write in this space - For Department of Revenue use only

#### Liability Information

License Account Number

Liability Date

License Issued Through (Expiration Date)

Total

\$



1. Is the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or officers, stockholders or directors if a corporation) or managers under the age of twenty-one years?..... ☐ Yes ☒ No

2. Has the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or officers, stockholders or directors if a corporation) or managers ever (in Colorado or any other state):

a. Been denied an alcohol beverage license?..... ☐ Yes ☒ No

b. Had an alcohol beverage license suspended or revoked?..... ☐ Yes ☒ No

c. Had interest in another entity that had an alcohol beverage license suspended or revoked?..... ☐ Yes ☒ No

If you answered yes to a, b or c above, explain in detail on a separate sheet.

3. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years?..... ☐ Yes ☒ No

If "yes", explain in detail.

4. Are the premises to be licensed within 500 feet, of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?..... ☐ Yes ☒ No

or

Waiver by local ordinance? ☐ Yes ☐ No

Other

5. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of greater than (>) 10,0000? **NOTE:** The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS..... ☐ Yes ☒ No

6. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 3000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of less than (<) 10,000? **NOTE:** The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS..... ☐ Yes ☒ No

For additional Retail Liquor Store only.

- a. Was your Retail Liquor Store License issued on or before January 1, 2016?.... ☐ Yes ☒ No
- b. Are you a Colorado resident?..... Yes ☒ No
7. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a Limited Liability Company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any **current** financial interest in said business including any loans to or from a licensee..... ☐ Yes ☒ No
8. Does the applicant, as listed on line 2 of this application, **have legal possession of the premises by ownership**, lease or other arrangement?..... ☒ Yes ☐ No

☐ Ownership ☒ Lease ☐ Other (Explain in detail)

- a. If leased, list name of landlord and tenant, and date of expiration, **exactly** as they appear on the lease:

Landlord	Tenant	Expires
BURNING MOUNTAIN ASSOCIATES, <sup>LLP</sup>	CRS FRENS LLC	06/30/29

- b. Is a percentage of alcohol sales included as compensation to the landlord? If yes, complete question on page 9..... ☐ Yes ☒ No
- c. Attach a diagram that designates the area to be licensed in black bold outline (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8½" X 11".

9. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies) will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business? Attach a separate sheet if necessary.

Last Name <i>HANMI BANK</i>		First Name <i>N/A</i>	
Date of Birth (MM/DD/YY) <i>N/A</i>	FEIN or SSN Number <i>95-4788120</i>	Interest/Percentage <i>\$592,000 SBA LOAN</i>	
Last Name		First Name	
Date of Birth (MM/DD/YY)	FEIN or SSN Number	Interest/Percentage	
Last Name		First Name	
Date of Birth (MM/DD/YY)	FEIN or SSN Number	Interest/Percentage	

Attach copies of all notes and security instruments and any written agreement or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.

10. Optional Premises or Hotel and Restaurant Licenses with Optional Premises:  
Has a local ordinance or resolution authorizing optional premises been adopted?... ☐ Yes ☒ No

Number of additional Optional Premise areas requested. (See license fee chart)

For the addition of a Sidewalk Service Area per Regulation 47-302(A)(4), include a diagram of the service area and documentation received from the local governing body authorizing use of the sidewalk. Documentation may include but is not limited to a statement of use, permit, easement, or other legal permissions.

11. Liquor Licensed Drugstore (LLDS) applicants, answer the following: *N/A*

a. Is there a pharmacy, licensed by the Colorado Board of Pharmacy, located within the applicant's LLDS premise?..... ☐ Yes ☐ No

If "yes" a copy of license must be attached.

12. Club Liquor License applicants answer the following: **Attach a copy of applicable documentation** *N/A*

a. Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain?..... ☐ Yes ☐ No

b. Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?..... ☐ Yes ☐ No

c. How long has the club been incorporated?.....

d. Has applicant occupied an establishment for three years (three years required) that was operated solely for the reasons stated above?..... ☐ Yes ☐ No

13. Brew-Pub, Distillery Pub or Vintner's Restaurant applicants answer the following: *N/A*

a. Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)..... ☐ Yes ☐ No

14. Campus Liquor Complex applicants answer the following: *N/A*

a. Is the applicant an institution of higher education?..... ☐ Yes ☐ No

b. Is the applicant a person who contracts with the institution of higher education to provide food services?..... ☐ Yes ☐ No

**If "yes" please provide a copy of the contract with the institution of higher education to provide food services.**

15. For all on-premises applicants.

a. For all Liquor Licensed Drugstores (LLDS) the Permitted Manager must also submit an Manager Permit Application - DR 8000 and fingerprints.

Last Name of Manager

First Name of Manager

*RANJITKAR*

*RAJESH*

16. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number.....

☐ Yes ☒ No

Name

Type of License

Account Number

**17. Related Facility - Campus Liquor Complex applicants answer the following:** *N/A*

- a.** Is the related facility located within the boundaries of the Campus Liquor Complex?..... ☐ Yes ☐ No

If yes, please provide a map of the geographical location within the Campus Liquor Complex.

If no, this license type is not available for issues outside the geographical location of the Campus Liquor Complex.

- b.** Designated Manager for Related Facility - Campus Liquor Complex

Last Name of Manager

First Name of Manager

**18. Tax Information.**

- a.** Has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business?..... ☐ Yes ☒ No

- b.** Has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.?..... ☐ Yes ☒ No



\*\* If applicant is owned 100% by a parent company, please list the designated principal officer on above.

\*\* Corporations - the President, Vice-President, Secretary and Treasurer must be accounted for above (Include ownership percentage if applicable)

\*\* If total ownership percentage disclosed here does not total 100%, applicant must check this box:

☒ Applicant affirms that no individual other than these disclosed herein owns 10% or more of the applicant and does not have financial interest in a prohibited liquor license pursuant to Article 3 or 5, C.R.S.

### Oath Of Applicant

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer and Wine Code which affect my license.

Printed Name

Title

RAJESH RANJITKAR

MANAGING MEMBER

Authorized Signature

Date (MM/DD/YY)

*Rajesh Ranjitkar*

07/25/24

### Report and Approval of Local Licensing Authority (City/County)

Date application filed with local authority

Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application)

July 31, 2024

September 3, 2024

For Transfer Applications Only - Is the license being transferred valid?..... ☒ Yes ☐ No

The Local Licensing Authority Hereby Affirms that each person required to file DR 8404-I (Individual History Record) or a DR 8000 (Manager Permit) has been:

☐ Fingerprinted

☒ Subject to background investigation, including NCIC/CCIC check for outstanding warrants

That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with and aware of, liquor code provisions affecting their class of license

(Check One)

☐ Date of inspection or anticipated date

☒ Will conduct inspection upon approval of state licensing authority

☐ Is the Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1,500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of > 10,0000? ..... ☐ Yes ☐ No

☐ Is the Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 3,000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of < 10,0000? ..... ☐ Yes ☐ No

**NOTE:** The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS.

☐ Does the Liquor-Licensed Drugstore (LLDS) have at least twenty percent (20%) of the applicant's gross annual income derived from the sale of food, during the prior twelve (12) month period? ..... ☐ Yes ☐ No

The foregoing application has been examined; and the premises, business to be conducted, and character of the applicant are satisfactory. We do report that such license, if granted, will meet the reasonable requirements of the neighborhood and the desires of the adult inhabitants, and will comply with the provisions of Title 44, Article 4 or 3, C.R.S., and Liquor Rules. **Therefore, this application is approved.**

Local Licensing Authority for  Telephone Number  ☐ Town, City  
☐ County

Printed Name	<input type="text"/>	Title	<input type="text"/>
Signature	<input type="text"/>	Date (MM/DD/YY)	<input type="text"/>
Printed Name	<input type="text"/>	Title	<input type="text"/>
Signature	<input type="text"/>	Date (MM/DD/YY)	<input type="text"/>

## Tax Check Authorization, Waiver, and Request to Release Information

I, RAJESH RANJITKAR

am signing this Tax Check Authorization, Waiver and Request to Release Information (hereinafter  
"Waiver") on behalf of

(the "Applicant/Licensee")

CRS FRENS LLC

to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documentation that may otherwise be confidential, as provided below. If I am signing this Waiver for someone other than myself, including on behalf of a business entity, I certify that I have the authority to execute this Waiver on behalf of the Applicant/Licensee.

The Executive Director of the Colorado Department of Revenue is the State Licensing Authority, and oversees the Colorado Liquor Enforcement Division as his or her agents, clerks, and employees. The information and documentation obtained pursuant to this Waiver may be used in connection with the Applicant/Licensee's liquor license application and ongoing licensure by the state and local licensing authorities. The Colorado Liquor Code, section 44-3-101, et seq. ("Liquor Code"), and the Colorado Liquor Rules, 1 CCR 203-2 ("Liquor Rules"), require compliance with certain tax obligations, and set forth the investigative, disciplinary and licensure actions the state and local licensing authorities may take for violations of the Liquor Code and Liquor Rules, including failure to meet tax reporting and payment obligations.

The Waiver is made pursuant to section 39-21-113(4), C.R.S., and any other law, regulation, resolution or ordinance concerning the confidentiality of tax information, or any document, report or return filed in connection with state or local taxes. This Waiver shall be valid until the expiration or revocation of a license, or until both the state and local licensing authorities take final action to approve or deny any application(s) for the renewal of the license, whichever is later. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license, if requested.

By signing below, Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority or agency in the possession of tax documents or information, release information and documentation to the Colorado Liquor Enforcement Division, and is duly authorized employees, to act as the Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to allow the state and local licensing authorities, and their duly authorized employees, to investigate compliance with the Liquor Code and Liquor Rules. Applicant/Licensee authorizes the state and local licensing authorities, their duly authorized employees, and their legal representatives, to use the information and documentation obtained using this Waiver in any administrative or judicial action regarding the application or license.



Name (Individual/Business)

NEW CASTLE LIQVORS

Social Security Number/Tax Identification Number

99-3570638

Home Phone Number

(307) 640-2268

Business/Work Phone Number

(970) 984-3707

Street Address

820 CASTLE VALLEY DR STE 104

City

NEW CASTLE

State

CO

ZIP Code

81647

Printed name of person signing on behalf of the Applicant/Licensee

RAJESH RANJITKAR

Applicant/Licensee's Signature (Signature authorizing the disclosure of confidential tax information)



Date Signed

07/25/24

### Privacy Act Statement

Providing your Social Security Number is voluntary and no right, benefit or privilege provided by law will be denied as a result of refusal to disclose it. § 7 of Privacy Act, 5 USCS § 552a (note).

**COMMERCIAL LEASE**

**By and Between**

**Burning Mountain Associates LLLP,  
a Colorado Limited Liability Limited Partnership,**

**“Lessor”**

**and**

**CRS, FRENS, LLC,**

**“Lessee”**

**Dated: July 9, 2024**

## **COMMERCIAL LEASE**

THIS COMMERCIAL LEASE ("Lease") is made as of the July 9, 2024, by and between Burning Mountain Associates LLLP, a Colorado Limited Liability Limited Partnership ("Lessor") and **CRS FRENS, LLC** ("Lessee"). Lessor and Lessee are sometimes each referred to as a "Party" and collectively as the "Parties."

NOW, THEREFORE, for and in consideration of the covenants and agreements given herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

### **1. DEMISE, PREMISES AND WARRANTIES.**

a. Premises. In consideration of the mutual covenants and agreements set forth herein, Lessor does hereby lease to Lessee and Lessee does hereby rent from Lessor the following described premises: an approximately 2360 square foot portion of Suite 104 ("Premises"), of the Burning Mountain Planned Unit Development, Phase 2 located at 820 Castle Valley Blvd, New Castle, CO 81647 ("Property"). The Premises is approximately 2360 square feet of commercial space.

b. Condition of Premises. Lessee warrants and represents that it has inspected the Premises and shall accept the Premises in its "as-is" condition. Lessor is not obligated to make upgrades or improvements to the Premises. In the event that Lessee desires to make any alterations to the Premises, such alterations shall be subject to prior written approval of Lessor as set forth under Section 6 below. Lessee acknowledges that neither Lessor nor any agent nor any employee of Lessor has made any representation or warranty with respect to the Premises or its suitability for the conduct of Lessee's business. Lessee's occupancy of the Premises shall be conclusive evidence that the Premises were in good order and repair as of the date on which Lessee first occupied the Premises.

c. Use of Common Areas. In addition to the Premises, the Lessee shall be entitled to use of the common areas adjacent to the leased Premises including sidewalks, parking areas, driveways, patio facilities, entrances and exits as well as other facilities designated by Lessor as common areas from time to time, subject always to reasonable rules and regulations established by Lessor. This paragraph shall not be deemed as granting Lessee a vested interest in the common areas as presently constituted, and Lessor reserves the right to utilize and make changes, additions and alterations thereto from time to time

### **2. USE OF PREMISES.**

a. Permitted Uses. Lessee shall use the Premises solely for the purpose of conducting business as a liquor store and related activities, and for no other purposes without the prior express written permission of Lessor, which may be withheld in Lessor's sole discretion.

b. No violations. Notwithstanding the foregoing, Lessee shall not utilize the Premises for any purpose which is in violation of any applicable law, zoning, building regulation, covenants, rules or any other applicable restriction on the use of the Premises.

c. Lessee's Conduct in the Premises. Lessee shall not do or permit anything to be done in or about the Premises, nor bring nor keep anything therein or elsewhere which will in any way (i) increase the existing rate of or affect any fire or other insurance upon said Premises or any of its contents, or (ii) cause cancellation of any insurance policy covering said Premises or any part thereof or any of its contents. Lessee shall not (x) do or permit anything to be done in or about the Premises which will in any way obstruct

or interfere with the rights of other Lessees or occupants of the Property or injure any of them, (y) use or allow the Premises to be used for any improper, immoral or unlawful purpose, or (z) cause, maintain or permit any nuisance in, on or about the Premises. Lessee shall not commit or suffer to be committed any waste in or upon the Premises or the rest of the Property. Lessee shall not do or suffer anything to be done upon the Premises which will cause disfigurement, damage or structural injury to the other parts of the Property. The floors and the electrical system of the Premises will not be overloaded in excess of load requirements applicable to Lessee's Work, and no machinery, apparatus, or other appliance shall be used or operated in or on the Premises in any manner which will injure, vibrate or shake the Premises or the rest of the Property.

d. Trash. Lessee shall place all trash generated from Lessee's conduct of business at the Premises in the general trash storage area of the Property designated by Lessor. Lessee shall contract with a trash removal contractor and pay for trash receptacles and regular trash disposal service. In addition to all other remedies of Lessor hereunder, Lessee may be assessed a fee of Fifty Dollars (\$50.00) for each instance in which Lessee fails to adhere to the requirements of this section. Lessor shall cause such trash to be removed from the trash storage area.

e. Pest Control. Lessee, at Lessee's expense, shall maintain at all times throughout the Term, as it may be extended, a written service contract with a licensed, bonded professional pest and sanitation control service to perform inspection and services for the purposes of keeping the Premises constantly pest free and vermin free, including control coverage for the following: cockroaches, ants, earwigs, weevils, silverfish, spiders, beetles, rats, mice and rodents of all types. If any event of pest or vermin infestation is found in the Premises or anywhere else in the Property that may be directly or indirectly related to Lessee's or Lessee's employees or customers use of the Premises or the operation of Lessee's business, Lessee, at Lessee's expense, shall have its pest control operator immediately remedy such event of infestation. Notwithstanding the foregoing, if Lessee or Lessee's pest control operator fails to immediately remedy such event of infestation to Lessor's sole satisfaction, Lessor may contract with its own pest control operator to remedy such event of infestation, and the total costs incurred by Lessor plus a ten percent (10%) administrative fee shall be paid by Lessee to Lessor within thirty (30) calendar days after written demand by Lessor.

f. Health Department Notices. Lessee shall comply with all Health Department and other governmental rules and regulations applicable to Lessee's operations in the Premises and shall promptly: (i) furnish or cause to be furnished to Lessor copies of all Health Department and other governmental reports, notices and citations issued with respect to the Premises; and (ii) cure or otherwise eliminate all deficiencies and violations noted by the Health Department and other governmental authorities and take all required actions to prevent the reoccurrence of such deficiencies and violations.

g. Odor and Noise Control. Throughout the Lease Term Lessee, at Lessee's sole expense, shall maintain the Premises in a clean, sanitary and quiet manner and shall take such steps as may be necessary, in the sole discretion of Lessor, to keep the Premises and/or contiguous other Lessee-occupied premises and the Property free of odors and loud sounds, including music associated with Lessee's business or from the operation of any instrument, apparatus, equipment, radio, television or amplification system. Upon Lessee's receipt of notice of any complaint of odor or noise that may be resulting from, directly or indirectly, the operation of Lessee's business, Lessee, at Lessee's sole expense, shall take such steps as may be necessary to immediately remedy such odor or noise. Notwithstanding the foregoing, if Lessee fails to immediately remedy such odor or noise to Lessor's reasonable satisfaction, Lessor may, in addition to Lessor's other remedies for breach of Lessee's obligations hereunder, take such action it deems appropriate to cure such odor or noise, and the total costs incurred by Lessor shall be paid by Lessee to Lessor within thirty (30) calendar days after written demand by Lessor.

h. Ventilation System. Lessee hereby represents and warrants that it has inspected and determined that the existing mechanical equipment, horizontal and connecting ducts and flues, and ventilating system (including such vents, filters, flues, ducts and fans) of the Premises (collectively, the "Ventilation Equipment") are in a condition acceptable to Lessee, and that Lessee shall be responsible for any repairs, alterations, improvements or replacements of the Ventilation Equipment as is necessary to prevent any odors, fumes, vapors, or gases from escaping from the Premises to any other portion of the Property, including such equipment as may be required by any applicable laws or installed within the Premises as of the execution of this Lease. If any Ventilation Equipment does not meet any standards required by any applicable laws, in addition to any of Lessor's other remedies for Lessee's breach of its obligations herein, Lessor may make such changes as may be so required to the Ventilation Equipment at Lessee's sole cost and expense. Lessee's maintenance of and repairs to the Ventilation Equipment shall be performed by a contractor approved in writing in advance by Lessor.

3. **TERM.** The Term of this Lease shall be five (5) years commencing on July 31, 2024 (the "Commencement Date"), and ending on June 30, 2029, or on such earlier date as this Lease may terminate as provided below, except that, if any such date falls on a Sunday or a holiday, then this Lease shall end on the business day preceding the above-mentioned date ("Primary Lessee Term").

4. **OPTION TO RENEW** In the event the Lessee is not in material default of any of its obligations under this Lease or any terms, conditions and restrictions contained in applicable recorded instruments or any duly adopted rules and regulations, the Lessee shall have the right and option to renew this lease for two (2) additional five (5) year terms upon the same terms and conditions as herein contained. The Lessee shall deliver written notice to the Lessor of its intent to exercise the option no earlier than one hundred eighty (180) days and no later than ninety (90) days prior to the expiration of the current term.

5. **RENT.**

a. Fixed Annual Rent. Lessee shall pay the Lessor a fixed annual rent in the amount of forty nine thousand one hundred ninety five dollars (\$49,195.59) ("Fixed Annual Rent"). Such Fixed Annual Rent shall be paid in equal monthly installments of four thousand ninety nine dollars and 59/100 (\$4099.59) due on the first day of each month during the Lease term without prior demand. Lessee's obligation to pay monthly installments of rent shall commence on July \_\_\_\_\_, 2024.

b. Annual Escalation of Fixed Annual Rent. The Fixed Annual Rent shall be increased at each anniversary of the Commencement Date during the Lease Term by the percentage change in the Consumer Price Index for All Urban Consumers (US City Average, All Items) ("CPI") calculated by comparing the said CPI effective the twelve months prior to and on the yearly anniversary date thereafter. Lessor will cause a statement of the annual increase in rent calculated as aforesaid to be delivered to Lessee. Any delay or failure by Lessor to compute or bill for the annual increases in rent as aforesaid shall not constitute a waiver by Lessor of its right to collect, nor impair Lessee's obligations to pay, such rent increase.

c. Additional Rent. In addition to the Fixed Annual Rent set forth above, Lessee shall pay as "Additional Rent" (collectively with the Fixed Annual Rent, "Rent") during the term of this lease and any extension or renewal, any and all sums of money or charges required to be paid by Lessee under the terms of this lease, whether designated additional rent or not. The amounts, if not paid when due, shall be collectible as additional rent with the next installment of Fixed Annual Rent falling due as provided here and otherwise subject to all provisions of this lease and of law as to default in the payment of rent; provided

nothing shall be deemed to excuse or delay the obligation of Lessee to pay any amount of money or charge at the time the same shall become due under the terms of this lease. It is the intent of this Lease that the Lease shall be a "triple net lease" with all costs and expenses of Lessor being paid by lessor, unless expressly stated to the contrary herein. Without limiting the generality of the above, the following sums shall be payable as Additional Rent:

i. Commercial Area Maintenance Fees. Lessee, as its pro rata share, shall pay 8.4% of the total of all of the costs for the payment of utilities, trash disposal, insurance, maintenance fees, management fees, and any other costs incurred under the Declaration of Joint Parking Use and amendment thereto for the portion of the Property located upon Lot C6. Lessee shall pay such Commercial Area Maintenance ("CAM") fees within fifteen (15) days after receipt of a statement therefor. In no even shall such statements be rendered more frequently than quarterly in each calendar year. In no event shall such CAM fee increase by more than three percent (3%) per annum.

ii. Utilities. Lessor and Lessee have heretofore inspected the Property and all of the utility systems providing service to the Property and hereby acknowledge and Lessee accepts all the aforesaid utility services to all of the Property in their "as is, where is" condition. Lessee agrees to pay before delinquency all charges for all utilities separately metered to the Premises or for which the Lessee is solely responsible.

iii. Taxes. Lessee will pay before delinquency any and all taxes levied or assessed upon Lessee's fixtures, equipment, and personal property in and on the Premises, whether or not affixed to the real property. If at any time after any tax or assessment has become due or payable, the Lessee, or its legal representative, neglects to pay such tax or assessment, Lessor shall be entitled to pay the tax or assessment at any time thereafter and such amount so paid by Lessee shall be deemed to be Additional Rent for the Premises, due and payable by the Lessee.

iv. Late Fees. If Lessee fails to pay any rent within three (3) days of its due date, then commencing on the fourth (4) day after the due date of a rental installment, and without notice or demand from Lessor, Lessee shall pay to Lessor, as additional rent, a sum equal to five percent (5%) of the monthly rental installment that was not timely paid. Neither the assessment nor the payment of any such additional rent shall be construed to limit the Lessor's remedies for an event of default set forth in this Lease, it being the intent hereof that such additional rent for failure to timely pay a monthly rental installment be cumulative with all other remedies set forth herein. In the event all or any part of the Rent due under this Lease is delinquent beyond the 30<sup>th</sup> day of the month in which it is due, the delinquent amount shall bear interest at the rate of one and one-half percent (1.5%) per month (i.e. compounded monthly) from the day it was initially due until paid.

d. Independent Obligations. The obligation of Lessee to pay Rent hereunder is independent of each and every other covenant, duty or obligation of the Lessor herein, and is not subject to deduction or off-set.

## 6. **INSURANCE.**

a. Liability Insurance. Lessee agrees at its own expense to maintain in full force during the Lease Term policies of comprehensive insurance, including property damage, written by one or more responsible insurance companies licensed to do business in Colorado which will insure Lessee and Lessor against liability for injury to persons and/or property, and death of any person or persons occurring in or



about the Premises. Each policy shall be approved as to form and insurance company by Lessor. The liability under such insurance shall not be less than \$2,000,000.00 for any one person injured or killed, and not less than \$2,000,000.00 for any one accident, and not less than \$4,000,000.00 property damage. The policies shall name as insured parties, Lessee and Lessor and any persons, firms or corporations designated by Lessor and shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor fifteen (15) days' prior written notice. A copy of the policy or a certificate of insurance shall be delivered to the Lessor.

b. Insurance on Lessee's Property. The Lessee agrees that it will at all times during the Lease Term maintain in full force and effect on all its furniture, fixtures and equipment in the Leased Premises a policy or policies of first insurance with the standard extended coverage endorsement attached to the extent of which will insure eighty percent (80%) of such property's insurable value and the proceeds of which will, so long as this Lease is in effect, be used for the repair or replacement of fixtures and equipment so insured. It is understood that the Lessor shall have no interest in the insurance upon Lessee's equipment and fixtures, and will sign all documents necessary or proper in connection with the settlement of any claim or loss by Lessee.

c. Property Insurance. The Lessee agrees that it will maintain in full force and effect during the Lease Term fire, casualty, liability and extended coverage insurance covering the Premises against loss or damage by fire and by other risks now or hereafter embraced by "extended coverage," so called, in amount of the full insurable value of the Premises (both the exclusive and nonexclusive premises). The policies shall name as insured parties, Lessee and Lessor and any persons, firms or corporations designated by Lessor and shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor fifteen (15) days' prior written notice. A copy of the policy or a certificate of insurance shall be delivered to the Lessor.

d. Plate Glass Insurance. Lessee agrees to maintain and keep in force adequate plate glass insurance on all plate glass on the Premises.

e. Failure to Insure. Should Lessee fail to keep in effect and pay for such insurance as required by this section, the Lessor may do so, in which event the insurance premiums paid by Lessor shall become due and payable promptly, and failure of Lessee to pay them on demand shall constitute a breach of this Lease.

## **7. REPAIRS, ALTERATIONS AND IMPROVEMENTS.**

a. General. Subject only to Lessor's obligation to repair "structural damages or defects,"<sup>1</sup> Lessee shall keep and maintain the Premises and every part and any fixtures, facilities or equipment, in good condition and repair, including, but not limited to floors and floor coverings, the heating, cooling, fire protection, sprinkler, lighting, electrical, plumbing and sewer systems, the exterior doors, security grilles, window frames and all portions of the business front area, and shall make any replacements and shall promptly replace all broken and cracked glass. All portions of the interior of the Premises shall be painted and redecorated periodically by Lessee as reasonably determined by Lessor. If Lessee refuses or neglects to commence or complete any of the obligations above set forth promptly and adequately, Lessor may, but shall not be required to, make or complete maintenance or repairs and Lessee shall pay the cost to Lessor on demand as Additional Rent. Lessee will, at its sole cost; (a) keep the inside and outside of all glass in

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<sup>1</sup> "structural damage or defect" shall mean radical change in the physical structure which is extraordinary in scope and effect and unusual in nature. Example of the items include a roof collapse, elevator collapse, or a total failure of the outside walls of the building. Examples of items not included in the definition include ordinary and routine elevator maintenance such as lubrication and other adjustments in the ordinary course of operation and periodic roof inspection and minor repair.

the doors and windows of the premises clean; (b) maintain the premises in a clean, orderly and sanitary condition and free of insects, rodents, vermin, and other pests; and (c) regularly clean and, when necessary, replace all floor treatment (including carpet).

b. Alterations, Improvements, and/or Additions. Lessee shall not have the right to make any alterations, improvements, and/or additions to the Property without first obtaining Lessor's written consent, which consent may be withheld in Lessor's sole, subjective, and absolute discretion.

## **8. COMPLIANCE WITH LAWS AND COVENANTS.**

a. Laws. Lessee shall comply with and abide by all applicable Federal, State, County, Municipal and other governmental statutes, ordinances, laws and regulations affecting the demised Premises, the improvements thereon, any alterations or improvements made to the Premises, or any activity or condition on or in such Premises, provided that Lessee shall not be required to make any capital improvements to any portion of the Premises in order to comply with such legal requirements. The Lessee shall be solely responsible for any repairs to the Premises or actions necessary to comply with the applicable legal requirements related to Lessee's use or occupation of the Premises. Failure of Lessee to comply with such governmental regulations or to maintain the Premises as provided above shall be an act of default and Lessor shall have the right, after the applicable notice and opportunity to cure has been given to Lessee, to comply with said regulations or to maintain, alter, repair or restore the Premises at the cost of Lessee.

b. Covenants. In addition to the terms and conditions set forth in this lease, Lessee understands and agrees that Lessee shall be bound by all provisions, rules, regulations, covenants, restrictions, and conditions which are applicable and/or encumbrances upon the Premises, as well as those promulgated by the HOA. Lessee acknowledges receipt of a copy of all covenants and provisions and agrees and understands that all covenants and provisions are incorporated into this lease agreement by reference and Lessee's compliance therewith is made a material term of this lease. Further, Lessee shall indemnify Lessor for any damages suffered by Lessor as a result of Lessee's failure to comply with such compensations, including attorneys' fees and court costs.

## **9. INDEMNIFICATION AND RELEASE OF LESSOR.**

a. Indemnification of Lessor. Except for the gross negligence or willful misconduct of Lessor, Lessee shall indemnify, defend and hold Lessor harmless against any and all liabilities, damages, losses, demands, claims, costs, expenses (including reasonable attorneys' fees and costs), obligations, liens, penalties, fines, judgments, actions, causes of action and lawsuits (collectively, "Liabilities") arising from (i) Lessee's breach of this Lease; (ii) injuries to any person and damage to or theft or misappropriation or loss of property occurring in or about the Property; (iii) Lessee's use of the Premises for the conduct of its business; and (iv) any activity, work, or other thing done, permitted or suffered by Lessee in or about the Premises and or the rest of the Property. In the event any action or proceeding is brought against Lessor, by reason of any such claim, Lessee shall, upon request, defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor.

b. Release of Lessor. Lessor shall not be liable for any damage, injury or death as to any person or damage to property in, on or about the Premises or any Building, unless caused by Lessor's negligence or willful misconduct.

c. Indemnification of Lessee. Except for the negligence or willful misconduct of Lessee, Lessor hereby agrees to indemnify and hold Lessee harmless from and against any and all Liabilities suffered by or claimed against Lessee, based on, or arising out of, or resulting from any grossly negligent



act or omission by Lessor. Lessor's indemnification hereunder does not extend to any use of the Property, conduct or activity done, suffered or caused by any other lessee of the Property.

#### **10. DESTRUCTION OF PREMISES DUE TO CASUALTY.**

a. Lessor's Duty to Repair. If the Premises shall be totally or partially destroyed or damaged by fire, earthquake, act of God, or by other casualty during the term of this Lease not a result of Lessee's acts or negligence, said destruction or damage shall not release Lessee from any obligation hereunder except as provided herein; and in the case of such casualty to or destruction of any such part of the Premises, Lessor shall, at its own expense, promptly repair and restore the same to a condition as good as or better than that which existed prior to such damage or destruction. Without limiting such obligation of Lessor it is agreed that the proceeds of any insurance covering such damage or destruction shall be made available to Lessor for repair or replacement. If the repair time is estimated to exceed six (6) months, or in the event actual restoration exceeds six (6) months, either Lessor or Lessee may elect to terminate this Lease upon notice to the other party given no later than thirty (30) days after notice has been given to the other party of such damage or destruction. If neither party elects to terminate this Lease or if Lessor estimates that the repair will take six (6) months or less, then, subject to receipt of sufficient insurance proceeds, Lessor shall promptly restore the Premises, excluding the improvements installed by Lessee or by Lessor and paid by Lessee, subject to delays arising from the collection of insurance proceeds or from force majeure events. Lessee, at Lessee's sole expense, shall promptly perform, subject to delays arising from the collection of insurance proceeds or from force majeure events, all repairs or restoration not required to be done by Lessor and shall promptly re-enter the Premises and commence doing business in accordance with this Lease.

b. Rent Reduction. The Rent shall be abated during any period that the Premises cannot be occupied as a result of damage to the Premises by a cause covered by this paragraph or the repair thereof (or in the event that only a portion of the Premises cannot be occupied as a result of such damage, the Rent shall be equitably abated in proportion to the space actually occupied and usable by Lessee).

c. Destruction during Final Year. Notwithstanding the foregoing, if the destruction occurs during the last year of the Lease, Lessee shall have the option to elect to terminate this Lease by written notice served on Lessor within thirty (30) days after the occurrence of such damage or destruction. In the event of such termination, rentals payable shall terminate and there shall be no obligation on the part of Lessor to repair or restore the building or improvements nor any right on the part of Lessee to receive any proceeds collected under any insurance policy covering such building or improvements.

#### **11. WAIVER OF SUBROGATION.**

As long as their respective insurers so permit, Lessor and Lessee waive all rights to recover against each other or against the officers, directors, shareholders, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each other for any loss or damage arising from any cause covered by any insurance required to be carried by either of them pursuant to this Lease or any other insurance actually carried by each of them which occur in, on or about the Premises or the Building to the extent that such loss or damage is covered by collectible insurance. Lessor and/or Lessee will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises.

#### **12. ASSIGNMENT AND SUBLETTING.**

a. Lessor's Consent Required. Lessee agrees and covenants, which covenants shall run for the Lease Term and be binding upon the administrators trustees or permitted assigns of Lessee, that Lessee will not, either voluntarily or by operation of law, assign, sell, encumber, pledge or otherwise transfer

(collectively or individually, a "Transfer") all or any part of Lessee's leasehold estate hereunder, or permit the Premises to be occupied by anyone other than Lessee or Lessee's employees, or sublet the Premises or any portion thereof, without Lessor's prior written consent in each instance, which consent may be given or withheld in Lessor's sole and absolute discretion.

i. The term "Transfer" also includes (i) if Lessee is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of twenty-five percent (25%) or more of the partners or members (as applicable), or transfer of twenty-five percent (25%) or more of partnership or membership interests (as applicable), within a twelve (12)-month period, or the dissolution of the partnership or limited liability company (as applicable) without immediate reconstitution thereof, and (ii) if Lessee is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Lessee, the sale or other transfer of more than an aggregate of twenty-five percent (25%) of the voting shares of Lessee (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (B) the sale, mortgage, hypothecation or pledge of more than an aggregate of twenty-five percent (25%) of the value of Lessee's unencumbered assets within a twelve (12) month period.

ii. No Transfer, whether voluntary or involuntary, by operation of law, under legal process or proceedings, by receivership, in bankruptcy, or otherwise, and no subletting shall be valid or effective without such prior written consent and at Lessor's election, shall constitute a default. To the extent not prohibited by provisions of the Bankruptcy Code 11 U.S.C. Section 101, et seq., including Section 365(f)(1) thereof ("Bankruptcy Code"), Lessee, on behalf of itself and its creditors, administrators and assigns, waives the applicability of Sections 541(c) and 365(e) of the Bankruptcy Code of 1978 unless the proposed assignee of the trustee for the estate of the bankrupt meets Lessor's standard for consent as set forth in Section 11.2 hereof. Lessor has entered into this Lease with Lessee in order to obtain for the benefit of the Premises from the type and quality of Lessee's business and the foregoing prohibition on Transfer or subletting is expressly agreed to by Lessee in consideration for Lessor's agreement to enter into this Lease. Any person or entity to which this Lease is Transferred pursuant to the provisions of the Bankruptcy Code shall be of a type and quality consistent with the foregoing standards and shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such transferee shall, upon demand, execute and deliver to Lessor an instrument confirming such assumption. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Lessor, terminate all or any existing franchises, concessions, licenses, permits, subleases, subtenancies, departmental operating arrangements or the like, or may, at the option of Lessor, operate as an assignment to Lessor of the same.

b. Standard for Consent. If Lessee desires at any time to Transfer or to sublet the Premises or any portion thereof pursuant to Paragraph 11(a), where Lessor's consent is required, it shall notify Lessor of its desire to do so at least thirty (30) days prior to the time it would like to make the Transfer or sublease and shall submit in writing to Lessor: (i) the name of the proposed subLessee or transferee; (ii) the nature of the proposed subLessee's or transferee's business to be carried on in the Premises; (iii) the terms and provisions of the proposed sale, transfer or sublease of Lessee's business and leasehold interest, including the price, rent and terms of payment; and (iv) any other information reasonably required by Lessor. Lessor may consent in its sole and absolute discretion provided, however, that Lessee must: (i) demonstrate the use of the Premises remains the same or is otherwise a use that is consistent with the other uses at the Property and is acceptable to Lessor, (ii) demonstrate the proposed subLessee or transferee demonstrates that it is financially responsible by submission to Lessor of such reasonable information as Lessor may request concerning the proposed subLessee or assignee, including, but not limited to, a balance sheet of the

proposed subLessee or transferee as of a date within ninety (90) days of the request for Lessor's consent and statements of income or profit and loss of the proposed subLessee or transferee for the two-year period preceding the request for Lessor's consent; (iii) demonstrate the proposed subLessee or transferee demonstrates a record of successful experience in operating the same type of business by submission to Lessor of such reasonable information as Lessor may request concerning the proposed subLessee or assignee, including, but not limited to, a written statement in reasonable detail as to the restaurant experience of the proposed subLessee or transferee; (iv) the proposed subLessee or transferee has a good reputation; (v) pay to Lessor its reasonable costs and expenses incurred in connection with the negotiation, review and processing of such Transfer or sublet including reasonable attorneys' fees not to exceed \$5,000.00; (vi) if the rent paid by any sublessee or transferee to Lessee is more than the rent payable by Lessee to Lessor, then Lessee shall pay to Lessor fifty percent (50%) of any increased rent received by Lessee; and (vii) demonstrate that, at the time of the proposed sublet or Transfer, Lessee is not in default under the Lease and no condition exists that, with the passage of time, would constitute an event of default; (viii) agree to remain liable for the payment Rent hereunder.

**13. WASTE AND NUISANCE PROHIBITED.**

Lessee shall not commit or suffer to be committed any waste or nuisance on the Premises.

**14. LESSOR'S RIGHT OF ENTRY.**

Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the Premises upon twenty-four (24) hour advance notice to Lessee (except in the event of an emergency when no such advance notice shall be required) during all reasonable business hours for the purpose of inspecting the same or for the purpose of posting notices of non-responsibility for alterations, additions or repairs without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the Premises.

**15. LIENS.**

a. No liens. Lessee shall keep all of the Premises and every part thereof and all of the Property free and clear of any mechanics', materialmen's and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement or repairs or additions which Lessee may make or permit or cause to be made, or any work or construction by, for or permitted by Lessee on or about the Premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and to save and hold harmless Lessor against all such liens and claims of liens and suits or other proceedings pertaining thereto.

b. Contesting Lien. If Lessee desires to contest any such lien, it shall notify Lessor of its intention to do so within ten (10) business days after the filing of such lien. In such case, and provided that Lessee shall on demand protect Lessor by a good and sufficient surety bond against any such lien and any cost, liability or damage arising out of such contest, Lessee shall not be in default hereunder until ten (10) business days after the final determination of the validity thereof, within which time Lessee shall satisfy and discharge such lien to the extent held valid; but, the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had on any judgment rendered thereon, and such delay shall be a default of Lessee hereunder.

**16. CONDEMNATION.**

a. Rights of Parties. If the whole of the Premises or such portion thereof as will make the Premises unusable for the purposes herein leased, in the sole determination of Lessee, is condemned for any public or quasi-public use or purpose by any legally constituted governmental authority or by private purchase in lieu thereof, then in either of such events this Lease will terminate and the Rent obligations shall terminate from the time when possession is taken by such public authority and the Fixed Annual Rent shall be accounted for between Lessor and Lessee as of the date of the surrender of possession. In such events, Lessee shall have the right to make a claim against the condemnor for all claims including, but not limited to, all claims for leasehold damages, diminution in value of Lessee's leasehold, removal expenses, business dislocation expenses, and moving expenses.

b. Rent Reduction. If any part of the Premises shall be so taken and this Lease shall not terminate or be terminated under the provisions herein, then the Rent shall be reasonably and equitably apportioned according to the portion of the Premises so taken, and Lessee shall, at its own cost and expense, restore the remaining portion of the Premises to the extent to render it reasonably suitable for the purpose for which it was leased, and shall make all repairs to the building on the Premises to the extent necessary to constitute the Building a complete architectural unit, provided that such work shall not exceed proceeds of its condemnation award. Rent shall abate during the period of any such restoration or other activity in connection with such condemnation proceedings during which Lessee is unable to operate its business and does not operate its business.

c. Compensation. Except as provided herein: (i) all compensation awarded upon any condemnation or taking shall belong and be paid to Lessor, and Lessee shall have no claim thereto and (ii) Lessee hereby irrevocably assigns and transfers to Lessor any right to compensation or damages to which Lessee may become entitled during the Term hereof by reason of the condemnation of all or a part of the Premises, the rest of the Property, or the common area. Separate from any claims by Lessor, Lessee shall, in the event of any condemnation or taking be entitled to claim compensation for the loss or damage to any of Lessee's improvements to the Premises or Lessee's Personal Property, moving and relocation expenses, lost profits and a decrease in the Fixed Rent payable under the Lease proportionate to the square footage lost through condemnation. If the Lease is not terminated pursuant to this Section, Lessor agrees, to the extent of condemnation proceeds received, to restore the remaining portion of the Premises to the quality and character that existed prior to the taking as soon as reasonably possible.

## **17. DEFAULT - EVENTS OF DEFAULT.**

The following occurrences are "Events of Default":

a. Lessee fails to pay Rent or any other sum to be paid by Lessee under this Lease when due, and the default continues for five (5) days after written notice from Lessor.

b. This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Lessee, or are taken upon or subjected to any attachment by any creditor of Lessee or claimant against Lessee, and the attachment is not discharged within thirty (30) days after its levy;

c. Lessee files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or is dissolved, or makes an assignment for the benefit of creditors;

d. Involuntary proceedings under any bankruptcy laws or insolvency act or for the dissolution of Lessee are instituted against Lessee, or a receiver or trustee is appointed for all or substantially all of

Lessee's property, and the proceeding is not dismissed or the receivership or trusteeship is not vacated within sixty (60) days after the institution or appointment;

e. Lessee breaches any of the other agreements, terms, covenants or conditions that this Lease requires Lessee to perform, and the breach continues for a period of twenty (20) days after written notice by Lessor to Lessee; and

f. Lessor shall be in default if Lessor fails to perform any of its obligations hereunder within thirty (30) days after Lessor's receipt of written notice from Lessee specifying such failure (or in the event such failure is of a nature that it cannot be corrected within thirty (30) days of Lessee's notice and Lessor shall fail, within such thirty (30) day time period, to commence a cure and diligently pursue that cure to completion).

#### **18. REMEDIES UPON DEFAULT OF LESSEE.**

If any one or more events of default set forth in Paragraph 16 occurs beyond any applicable period of notice and cure, then Lessor may, in addition to any other right or remedy provided for by Colorado law:

a. Terminate the Lease. Lessor may give Lessee written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Lessee's right to possession of the Premises will cease and the Lease will be terminated (except as to Lessee's liability set forth in this Paragraph 16(a), as if it were the end of the term of this Lease. If this Lease is terminated pursuant to the provisions of this Paragraph 16(a), Lessee will remain liable to Lessor monthly for damages in an amount equal to the Rent and other sums that would have been owing by Lessee under this Lease for the balance of the term if this Lease had not been terminated, less the net proceeds, if any, of any reletting of the Premises by Lessor subsequent to the termination, after deducting all of Lessor's reasonable expenses in connection with the reletting. Lessor will be entitled to collect and receive those damages from Lessee monthly on the days on which the rent and other amounts would have been due and payable under this Lease if it had not been terminated. Alternatively, at the option of Lessor, if this Lease is terminated, Lessor will be entitled to recover from Lessee the following:

i. The net present value at the time of award of the unpaid Rent that had accrued to Lessor at the time of termination;

ii. The net present value at the time of award of the amount by which the unpaid Rent that would have been earned after termination until the time of award exceeds the net present value of the Rent loss that Lessee proves could reasonably have been avoided;

iii. The net present value at the time of award of the amount by which the unpaid Rent for the balance of the term of this Lease after the time of award exceeds the net present value of the Rent loss that Lessee proves could reasonably be avoided; and

iv. Any other amount (including but not limited to the cost of recovering possession of the Premises, expense of reletting, including necessary renovation and alteration of the Premises, attorneys' fees, court costs and real estate commissions actually paid) necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease. The "net present value at the time of award" of the amount referred to in clauses 17(a)(i) through 17(a)(iii) is computed by applying the discount rate of the Federal Reserve Bank of Kansas City, Missouri at the time of award. For the purpose of determining unpaid rent under Paragraph 17(a)(iii), the



monthly rent reserved in this Lease will be deemed to be the sum of the rent due under Paragraph 4 and the other amounts due and payable by Lessee pursuant to this Lease for the calendar year in which the award is made.

b. Take Possession. Lessor may without demand or notice, reenter and take possession of the Premises or any part of the Premises in accordance with valid legal process; expel Lessee and those claiming through or under Lessee from the Premises; and remove the effects of both or either, without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or preceding breach of covenants or conditions. If Lessor elects to reenter as provided in this Paragraph 17(b)(i) or if Lessor takes possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, Lessor may, from time to time, without terminating this Lease, relet the Premises or any part of the Premises in Lessor's or Lessee's name but for the account of Lessee, for such term or terms (which may be greater or less than the period that would otherwise have constituted the balance of the term of this Lease) and on such terms and conditions (which may include concessions of free rent, and the alteration and repair of the Premises) as Lessor, in its sole discretion, may determine. Lessor may collect and receive the rents for the Premises. Lessor will not be responsible or liable for any failure to relet the Premises, or any part of the Premises, or for any failure to collect any rent due upon reletting. No reentry or taking possession of the Premises by Lessor will be construed as an election on Lessor's part to terminate this Lease unless a written notice of such intention is given to Lessee. No notice from Lessor under this Lease or under a forcible entry and detainer statute or similar law will constitute an election by Lessor to terminate this Lease unless the notice specifically says so. Lessor reserves the right following any reentry or reletting, or both, to exercise its right to terminate this Lease by giving Lessee written notice, and, in that event, the Lease will terminate as specified in the notice.

i. If Lessor elects to take possession of the Premises according to this Paragraph 17(b) without terminating the Lease, Lessee will pay Lessor the rent and other sums that would have been due and payable under this Lease if such repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Lessor's reasonable expenses incurred in connection with such reletting, including without limitation all reasonable repossession costs, brokerage commissions, legal expenses, attorneys' fees, expenses of employees, alteration, remodeling, repair costs, and expenses of preparing the Premises for reletting. If, in connection with any reletting, the new lease term extends beyond the existing term of this Lease or the Premises covered by reletting include areas that are not part of the Premises, a fair apportionment of the rent received from such reletting and the expenses incurred in connection with such reletting will be made by mutual agreement of the parties in determining the net proceeds received from reletting. In addition, in determining the net proceeds from reletting, any rent concessions will be apportioned over the term of the new lease. Lessee will pay such amounts to Lessor monthly on the days on which the rent and all other amounts owing under this Lease would have been payable if possession had not been retaken, and Lessor will be entitled to receive the rent and other amounts from Lessee on those days. The foregoing notwithstanding, Lessor shall have an affirmative obligation to mitigate its damages, if any, arising from any alleged default under the Lease.

c. No Duty to Delay Filing Suit. In addition to all other remedies, Lessor may file suit or suits for the recovery of the rents and other amounts and damages, which may be brought by Lessor from time to time at Lessor's election and nothing in this Lease will be deemed to require Lessor to await the date on which the term of this Lease expires.

d. Cumulative. Each right and remedy in this Lease, and more specifically under this Paragraph, will be cumulative and will be in addition to every other right or remedy in this Lease or existing

at law or in equity, including without limitation suits for injunctive relief and specific performance. The exercise or beginning of the exercise by Lessor of any right or remedy will not preclude the simultaneous or later exercise by Lessor of any other rights or remedies. All rights and remedies are cumulative and nonexclusive.

#### **19. REMEDIES UPON DEFAULT OF LESSOR.**

In the event of a Lessor default beyond any applicable period of notice and cure, Lessee shall have only the following sole and exclusive remedies (and the aforesaid notice and cure period shall not apply in the event of an emergency threatening life, safety, or the preservation of Lessee's employees and/or property): Lessee may bring an action for damages; or upon ten (10) days' additional written notice to Lessor, Lessee may, at its election, cure such default at the commercially reasonable expense of Lessor; provided, however, if Lessor's failure to so cure interferes with Lessee's quiet enjoyment of the Premises, or materially interferes with Lessee's use of the Premises then Lessee may pursue an action against Lessor for constructive eviction by Lessor, and any retention of possession of the Premises by Lessee while pursuing such action shall not constitute a waiver by Lessee of the constructive eviction so long as Lessee continues to pay Rent as required by the terms of this Lease. If Lessee exercises its right to cure in accordance with the foregoing terms and provisions, then Lessor will reimburse Lessee for the commercially reasonable cost of such cure within thirty (30) days of Lessee's delivery to Lessor of a statement for the cost of such cure; and, in the event Lessor fails to reimburse Lessee, then Lessee may set off against the amounts of Fixed Annual Rent owed for the cost of such cure. Provided that Lessee is first given written notice of the name and address of such party, Lessee shall cause a copy of any written notice from Lessee to Lessor under this paragraph to also be sent to any holder of a mortgage or other encumbrance on the Building, and any such holder will have the same time periods to cure such alleged default (however, the terms of any subordination, non-disturbance, and attornment agreement shall govern with respect to the cure periods provided for such holder).

#### **20. LESSOR'S LIEN.**

Subject to any prior perfected security interest or any purchase money security interest, Lessee grants to Lessor, to secure performance of Lessee's obligations hereunder, a security interest in all goods, inventory, equipment, fixtures, furniture, improvements, chattel paper, accounts, and general intangibles, and other personal property of Lessee now or hereafter situated on or relating to Lessee's use of the Premises, and all proceeds therefrom ("Collateral"), and the Collateral shall not be removed from the Premises without the consent of Lessor until all obligations of Lessee have been fully performed. Upon the occurrence of an Event of Default, Lessor may, in addition to all other remedies, without notice or demand except as provided below, exercise the rights afforded a secured party under the Uniform Commercial Code of the State of Colorado (the "UCC"). In connection with any public or private sale under the UCC, Lessor shall give Lessee five (5) days' prior written notice of the time and place of any public sale of the Collateral or of the time after which any private sale or other intended disposition thereof is to be made, which is agreed to be a reasonable notice of such sale or other disposition. All proceeds of any such sale may be applied first to payment of expenses incurred by Lessor in enforcing the security interests herein granted (including reasonable attorneys' fees and expenses). Lessee grants to Lessor a power of attorney to execute and file any financing statement or other instrument necessary to perfect Lessor's security interest under this section, which power is coupled with an interest and is irrevocable during the Term. Lessor may also file a copy of this Lease or this provision as a financing statement to perfect its security interest in the Collateral.

#### **21. SUBORDINATION.**

Lessee agrees that its leasehold interest hereunder is subordinate to any mortgages now on, or hereafter to be placed on, the Premises; provided, as a condition precedent to such subordination, Lessor agrees to take whatever action is necessary (including obtaining written documentation from its mortgagee) to assure that each such mortgagee shall expressly covenant, or each such mortgage shall expressly provide, that so long as Lessee is not in default under this Lease, Lessee's quiet possession of the Premises shall remain undisturbed, on the terms, covenants and conditions stated herein, whether or not the mortgage is in default and notwithstanding any foreclosure or other action brought by the mortgagee. Provided that Lessor complies with the requirements of this Paragraph 20, Lessee agrees to comply with reasonable requests for execution of documentation to affect this subordination of its leasehold interest.

**22. SIGNS.**

Lessee may install a sign or signs on the Premises which conform with the laws and regulations of the Town of New Castle, Colorado, as well as those applicable to the Premises within Garfield County and the State of Colorado. Upon surrender or vacation of the Premises or at any time during the term of the Lease, Lessee may remove any of its signs affixed to the Premises provided that it is not in default of its obligations herein and the Premises are restored to substantially the same condition and repair as before attachment of any such signs, reasonable wear and tear excluded. Upon termination of this Lease or the end of the Lease term, Lessee must remove any of its signs affixed to the Premises and/or the Property and must restore the Premises and/or the Property to substantially the same condition and repair as before attachment of any such signs, reasonable wear and tear excluded.

**23. NO WAIVER OF REQUIREMENTS.**

No requirement whatsoever of this Lease shall be deemed waived or varied, nor shall Lessor's acceptance of any payment with knowledge of any default, nor shall either party's failure or delay to take advantage of any default constitute a waiver of either party's rights thereby nor of any subsequent or continued breach of any requirement of this Lease. All remedies provided for herein shall be in addition to, and not in substitution for, any remedies otherwise available to each of the parties hereto.

**24. SECURITY DEPOSIT.**

The Lessee shall deposit with the Lessor on or before the July, 2024 the sum of twenty five hundred dollars (\$2500.00) in good funds as security for the payment of the rent provided herein and for the observance and performance by the Lessee of all of the terms, provisions, and conditions of this Lease on its part to be kept and performed; and further to indemnify the Lessor for any loss, costs, fees, and expenses which the Lessor may incur by reason of any default by the Lessee. The Lessor shall repay to the Lessee the security deposit or any balance thereof within thirty (30) days of the termination of the Lease or expiration of the Lease Term. In the event of any failure in the payment of rent or other sum, or of any default by the Lessee in the performance of the terms, provisions, and conditions of this Lease, the Lessor shall have the right to apply the security deposit against any loss, costs, fees, and expenses caused thereby. The security deposit shall bear no interest.

**25. HAZARDOUS MATERIALS.**

a. Lessee's Obligation. Lessee shall not cause or permit any hazardous material to be brought upon, kept, or used in or about the Premises by Lessee, its agents, employees, contractors, or invitees, without the prior written consent of Lessor (which Lessor shall not unreasonably withhold as long as Lessee demonstrates to Lessor's reasonable satisfaction that such hazardous material is necessary or useful to Lessee's business and will be used, kept and stored in a manner that complies with all laws regulating any such hazardous material). If Lessee breaches the obligations stated in the preceding sentence, or if the



presence of hazardous material on the Premises caused or permitted by Lessee results in contamination of the Premises, or if contamination of the Premises by hazardous material otherwise occurs for which Lessee is legally liable to Lessor for damage resulting therefrom, then Lessee shall indemnify, defend, and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space, and sums paid in settlement of claims, attorney's fees, consultant fees, and expert fees) that arise during or after the lease term as a result of such contamination. This indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of hazardous material present in the soil or ground water on or under the Premises. Without limiting the foregoing, if the presence of any hazardous material on the Premises caused or permitted by Lessee results in any contamination of the Premises, Lessee shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such hazardous material to the Premises. Provided that Lessor's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse effect on the Premises.

b. Defined. As used herein, the term "hazardous material" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local governmental authority, the State of Colorado, or the United States Government. The term "hazardous material" includes, without limitation, any material or substance that is (i) defined as a "hazardous substance" under appropriate state law provisions; (ii) petroleum; (iii) asbestos; (iv) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1321); (v) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 U.S.C. § 6903); (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601); or (vii) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Action (Regulation of Underground Storage Tanks) (42 U.S.C. § 6991).

## 26. SURRENDER.

a. Lessee's Obligation to Surrender. At the expiration of the Lease Term or earlier termination of the Lease, Lessee will surrender all keys to the Premises and surrender Premises in the same condition and repair as received, broom clean, ordinary wear and tear and casualty loss and condemnation excepted. If Lessee is not then in default, Lessee must also remove from the Premises any signs, fixtures, equipment and movable furniture placed in the Premises by Lessee. If Lessor so requests, Lessee, at its sole cost and expense, shall properly cap and seal its wiring and cabling (wherever located) at each end, properly label such wiring and cabling for future use, and surrender such wing and cabling in a good and safe condition on or before the earlier of (i) the expiration or earlier termination of Lease Term or (ii) the date on which Lessee discontinues the use of such wiring and cabling. Any not removed in accordance with this Paragraph shall be deemed abandoned and may be removed and disposed of by Lessor in such manner as Lessor shall determine and Lessee shall pay Lessor the entire cost and expenses incurred by it in effecting such removal and disposition and in making any incidental repairs and replacements to the premises and for use and occupancy during the period after expiration or earlier termination of the Term of this Lease and prior to the performance by Lessee of its obligations under this subsection. Lessee shall further indemnify Lessor against all loss, cost and damage resulting from Lessee's failure or delay in surrendering the Premises as above provided.

b. Lessee's Obligation to Repair. Lessee will fully repair any damage to the Premises occasioned by the removal of any fixtures, equipment or furniture, reasonable wear and tear and damage

by casualty excepted. All fixtures, equipment or furniture not removed will conclusively be deemed to have been abandoned by Lessee and may be appropriated, sold, stored, destroyed or otherwise disposed of by Lessor without notice to Lessee or to any other person and without obligation to account for them. Lessee will pay Lessor all reasonable expenses incurred in connection with Lessor's removal of such property from the Premises, including without limitation the cost of repairing any damage to the Building or the Premises caused by removal of such property. Lessee's obligation to observe and perform this covenant will survive the termination of this Lease.

**27. BROKERS.**

Each of Lessor and Lessee represents and warrants that it has not dealt with any broker in connection with this Lease and, accordingly, there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim, including, without limitation, the cost of attorneys' fees in connection therewith.

**28. HOLDING OVER.**

If Lessee holds over after the expiration or earlier termination of the Lease Term (or any Extension Term as applicable) without the express written consent of Lessor, Lessee shall become a Lessee at will or sufferance only, for which damages shall accrue at a monthly rental value equivalent to one hundred fifty percent (150%) of the Rent payable by Lessee to Lessor during the calendar month immediately preceding such expiration or termination of the Term, and otherwise subject to all terms of this Lease, and all other charges payable by Lessee hereunder upon the same terms, covenants and conditions herein specified. Acceptance by Lessor of rent after such expiration or earlier termination shall not constitute consent to any holdover hereunder or result in a renewal or extension. Additionally, if Lessee fails to surrender the Premises upon the expiration or termination of this Lease, Lessee agrees to (i) indemnify, defend and hold Lessor harmless from all costs, loss, expense or liability, including without limitation, claims made by any succeeding Lessee and real estate brokers claims and reasonable attorneys' fees and costs, and (ii) compensate Lessor for all costs, losses, expenses and/or liabilities incurred by Lessor as a result of such holdover, including without limitation, losses due to the loss of a succeeding tenancy. The foregoing provisions of this Paragraph are in addition to and do not affect Lessor's rights of re-entry or any other rights of Lessor hereunder or as otherwise provided by Laws.

**29. ESTOPPEL CERTIFICATES.**

Lessee shall, at any time and from time to time within ten (10) days after receipt of written notice from Lessor, execute, acknowledge and deliver to Lessor a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the dates to which the rental and other charges are paid in advance, if any, (ii) acknowledging that there are not any uncured defaults on the part of the other party hereunder or specifying such defaults if any are claimed and (iii) certifying such other information as may be required by Lessor or Lessor's lender or any potential purchaser of all or any portion of the Property. Any such statement may be relied upon by any prospective purchaser, lessee or encumbrancer of all or any portion of the Property of which the Premises are a part. Lessee's failure to deliver such statement within such time shall constitute an admission by Lessee that all statements contained therein are true and correct. Furthermore, if Lessee fails to timely deliver an executed estoppel certificate to Lessor pursuant to the terms of this Paragraph, then without limiting any other rights and remedies of Lessor, Lessor shall have the right to charge Lessee an amount equal to \$500 per day for each day thereafter until Lessee delivers to Lessor an estoppel certificate pursuant to the terms hereof. Lessee acknowledges and agrees that (A) such charge compensates Lessor for the administrative costs caused by the delinquency,

and (B) Lessor's damage would be difficult to compute and the amount stated in this paragraph represents a reasonable estimate of such damage. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact and in Lessee's name, place and stead to execute any and all documents described in this Paragraph if Lessee fails to do so within the specified time period.

**30. AUTHORITY OF PARTIES.**

The Parties represent and warrant to the other that the respective persons executing this Lease are duly authorized to execute and deliver this Lease on behalf of said entity or person, and that this Lease is binding upon said entity or person in accordance with its terms.

**31. CHOICE OF LAW, JURISDICTION.**

This Lease shall be governed and construed by the laws of the State of Colorado. Venue and jurisdiction for any litigation arising out of this Lease shall rest exclusively with the Garfield County District Court.

**32. INTERPRETATIONS.**

This Lease is to be deemed to have been prepared jointly by the parties hereto, and any uncertainty or ambiguity existing herein shall not be interpreted against either party, but according to the application of rules of interpretation of contracts, if such an uncertainty or ambiguity exists.

**33. FORCE MAJEURE.**

Except as otherwise expressly provided in this Lease, this Lease and the obligations of the parties hereunder shall not be affected or impaired because such party is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strikes, shortages of material or labor, acts of war or terrorism, acts of God, fires, floods, earthquakes or other natural or man-made disasters or calamities, force majeure, governmental ordinances or moratoriums, non-performance, mistake or arbitrary or capricious acts of any governmental authority, or any other unforeseen occurrence not under such party's direct control and, under such circumstances, the time provided for such party to perform any obligation under this Lease shall be extended by a number of days equal to the number of day such party was unable to perform due to such unforeseen occurrences.

**34. LIQUOR LICENSE NOT CONDITION TO LEASE**

Lessee agrees that obtaining a liquor license or any other restaurant licenses or permits related to the sale and/or consumption of alcohol is NOT a condition of this Lease. Lessee shall pay all fees, costs, taxes and expenses in connection with any such license it may try to obtain. If after execution of this Lease, Lessee is not able to secure a liquor license, Lessee shall have no right to terminate this Lease or receive any kind of rent abatement in connection with the Lease. Furthermore, Lessor has informed Lessee that it is Lessor's understanding that a licensee who has a financial interest in a restaurant license can neither manufacture spirituous liquors under such restaurant license nor hold an additional interest in a separate manufacturer's (spirits) license. Therefore, Lessee agrees that Lessee's ability to manufacture/distill spirituous liquors on the Premises shall not be a condition to the Lease.

**35. PARAGRAPH CAPTIONS.**

The paragraph captions as to contents of particular paragraphs are inserted only for convenience and are in no way to be construed as part of this Lease or as a limitation on the scope of the particular paragraphs to which they refer.

**36. LEASE ACCEPTANCE AND MODIFICATION.**

a. Entire Agreement. This Lease contains all the oral and written agreements, representations and warranties between the parties hereto with respect to the subject matter hereof, and any rights which the respective parties hereto may have had under any previous contracts or oral arrangements are hereby canceled and terminated and no representations or warranties are made or implied other than those set forth herein.

b. Writing Required. No amendment or modification of this Lease or any approvals or permissions of Lessor required under this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto in the same manner as the execution of this Lease.

**37. ATTORNEY FEES.**

All expenses, including attorneys' fees, incurred due to the default of a party hereunder, shall be borne by the defaulting party, including, without limitation, any attorneys' fees incurred by Lessor in collecting delinquent sums due from Lessee, whether or not suit or formal proceedings be brought. Should any legal proceedings become necessary with regard to this Lease, the prevailing party shall be awarded attorneys' fees and costs as part of any judgment recovered therein.

**38. NOTICES.**

Any notices or communications provided for in this Lease are to be in writing shall be sent by registered or certified mail, return receipt requested, or by a reputable national overnight courier service, postage prepaid, or by hand delivery to the Lessor at the following address:

Burning Mountain Associates LLLP  
Attn: Rue Balcomb  
401 County Road 137  
Glenwood Springs, CO 81601

w/ a copy to:  
JVAM PLLC  
Attn: Benjamin Johnston  
P.O. Box 878  
Glenwood Springs, CO 81602

and to the Lessee at the following address:

ilvd  
347

Either Lessor or Lessee may from time to time change the mailing addresses aforesaid by written notice to the other party hereto.

**39. TIME OF THE ESSENCE.**

Time is of the essence of this Lease and of each and every covenant, term, condition and provision hereof.

**40. PARTIES BOUND.**

The covenants and conditions herein contained shall, subject to the provisions as to assignment and subletting, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto Lessee hereby acknowledges and agrees that notwithstanding any sale of all or substantially all of its assets out of the ordinary course of business during the term of this Lease, it shall remain fully liable for all of the obligations of the lessee under this Lease until and unless it is released therefrom in a written instrument signed by Lessor. Similarly, in the event of a sale of its stock, merger, stock exchange, or any other corporate transaction which results in new ownership of the shares of stock in Lessee, the Lessee or its successor in interest, shall remain fully liable for all obligations of the Lessee under this Lease.

**41. UNENFORCEABILITY.**

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Lease term, then and in that event it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added as part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

**42. RECORDING.**

Lessee shall not record this Lease without the written consent of Lessor. However, upon the request of either party hereto, the other party shall join in the execution of a Memorandum of "short form" of this Lease for the purposes of recordation. Said Memorandum or short form of this Lease shall describe the parties, the Premises, the term of this Lease and Lessee's right of first refusal and shall incorporate this Lease by reference.

**43. LESSOR'S TRANSFER OF INTEREST.**

Lessor shall be free to transfer, assign, or otherwise convey or transfer title to the Premises or any part therefore or any leasehold estate therein. In the event of any sale of the Premises, or real property of which the Leased Premises are a part, by Lessor, including sales by foreclosure or a deed in lieu thereof, Lessor shall be, and is, entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act or omission occurring after the consummation of sale or lease; and the purchaser or lessee shall, during the period of its ownership or lease term, be deemed without any further agreement between the parties to have assumed and agreed to carry out any and all of the covenants and obligations of Lessee under this Lease. All subsequent purchasers or lessors shall similarly be freed and relieved of all liability hereunder subsequent to the date of such sale of lease by them. In the event of any such sale or lease, Lessee agrees to attorney to and become Lessee of Lessor's successor-in-interest.

**44. PRIOR AGREEMENT.**

This Agreement supersedes and replaces any and all previous lease agreements between the Parties concerning the Premises.

**45. GUARANTY.**

As further consideration for Lessor entering into this Lease, CRS FRENS, LLC (collectively, "Guarantor") will, contemporaneously with the execution of this Lease, execute the Personal Guaranty attached hereto as **Exhibit A** ("the Guaranty"), through which the Guarantor will jointly, severally, unconditionally and irrevocably guarantee the full performance and payment of any and all obligations of Lessee set forth in the Lease, as if the Guarantor was the Lessee pursuant to the Lease. This Lease is subject to and condition upon Lessee's delivery of a fully-executed Guaranty to Lessor on the date Lessee' executes this Lease.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year set forth above.

BURNING MOUNTAIN ASSOCIATES, LLP (LESSOR)

DocuSigned by:

Rue Balcomb

0033AA9F5D9F459...

By: Rue Balcomb

Its: General Partner

CRS FRENS, LLC (LESSEE)

Rajesh M Ranjithan

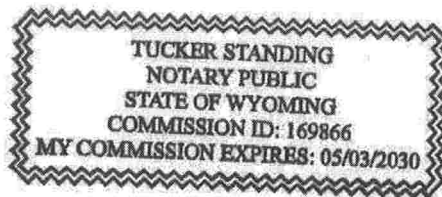
By: Rajesh M Ranjithan

Its: Chairman & Partner

NOTARY PUBLIC

Commission Expires: 05/30/2030

07/22/2024





## **EX. A TO COMMERCIAL LEASE - PERSONAL GUARANTY**

The undersigned ("Guarantor"), as a material inducement to and in consideration of the execution by Burning Mountain Associates LLP, a Colorado Limited Liability Limited Partnership ("Lessor"), of that certain Commercial Lease (the "Lease") of even date herewith between Lessor and CRS FRENS, LLC, a Colorado Limited Liability Company ("Lessee"), relating to the property located within Suite 104, of the Burning Mountain Planned Unit Development, Phase 2, located at 820 Castle Valley Blvd, New Castle, CO 81647, hereby agrees as follows:

1. Guarantor hereby unconditionally guarantees the performance of, and unconditionally promises to perform, all Lessee's obligations under the Lease and any and all extensions and modifications thereof, including, but not limited to, the obligation to pay rent thereunder

2. In such manner, upon such terms and at such times as Lessor shall deem best, and without notice to or the consent of Guarantor, Lessor may alter, compromise, extend or change the time or manner for the performance of any obligation hereby guaranteed, substitute or add any one or more guarantors, accept additional or substituted security for the performance of any such obligation, or release or subordinate any security therefor, any and all of which may be accomplished without any effect on Guarantor's obligations. No exercise or non-exercise by Lessor of any right hereby given, no dealing by Lessor with Lessee, any other guarantor or other person, and no change, impairment or suspension of any of Lessor's rights or remedies shall affect any of Guarantor's obligations or any security furnished by Guarantor or give Guarantor any recourse against Lessor. If Lessee's obligations under the Lease are discharged or modified pursuant to any bankruptcy or similar proceedings (including, without limitation, by reason of the disaffirmance or rejection of the Lease), Guarantor's obligations shall continue in full force and effect as if Lessee's obligations had not been so discharged or modified. Guarantor's obligations shall in no way be affected by (i) the release or discharge of Lessee or any other guarantor of the Lease, (ii) the assignment or transfer of the Lease by Lessee or (iii) any disability or other defense of Lessee. Lessor and Lessee, may without notice to or consent by Guarantor, at any time, or from time to time, enter into such modifications, extensions, amendments, or other covenants respecting the Lease as they may deem appropriate, and Guarantor shall be not released thereby, but shall continue to be fully liable for the payment and performance of all Lessee's liabilities, obligations and duties under the Lease as so modified, extended, or amended.

3. Guarantor hereby waives and agrees not to assert or take advantage of the following:

(a) Any right to require Lessor to proceed against Lessee or any other person or to proceed or exhaust any security held by Lessor at any time or to pursue any other remedy in Lessor's power before proceeding against Guarantor;

(b) Any defense based on the statute of limitations in any action hereunder or in any action for the performance of any obligation hereby guaranteed;

(c) Any defense that may arise by reason of the incapacity, lack of authority, bankruptcy, death or disability of any other person or persons or Lessor's failure to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of any other person or persons;

(d) Any right to receive demands, protests and notices of any kind including, but not limited to, notice of the existence, creation or incurring of any new or additional obligation or of any action or non-action of Lessee, Lessor, or any other person;



(e) Any defense based on an election of remedies including, but not limited to, any action by Lessor which shall destroy or otherwise impair any subrogation right of Guarantor or the right of Guarantor to proceed against Lessee for reimbursement, or both;

(f) Any duty of Lessor to disclose to Guarantor any facts Lessor may now or hereafter know about Lessee, regardless of whether Lessor has reason to believe such facts materially increase the risk beyond that which Guarantor intends to assume or has reason to believe such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed Guarantor is fully responsible for being and keeping informed of Lessee's financial condition and of all circumstances bearing on the risk of nonperformance of any obligation hereby guaranteed;

(g) Any right to receive notice of or to consent to any amendments that may hereafter be made to the Lease; and

(h) Any defense based on an assertion Guarantor's obligations are larger or more burdensome than Lessee's obligations under the Lease.

4. Until all obligations hereby guaranteed shall have been fully performed, Guarantor shall have no right of subrogation and waives any right to enforce any remedy which Lessor now has or may hereafter have against Lessee and any benefit of, and any right to participate in, any security now or hereafter held by Lessor. Guarantor agrees nothing contained herein shall prevent Lessor from suing on the Lease or from exercising any rights available to Lessor thereunder and the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. Guarantor agrees Lessor (and not Lessee) may designate the portion of Lessee's obligations under the Lease satisfied by a partial payment by Lessee.

5. All Lessee's existing and future obligations to Guarantor, or any person owned in whole or in part by Guarantor, and the right of Guarantor to cause or permit itself or such person to withdraw any capital invested in Lessee are hereby subordinated to all obligations hereby guaranteed, and, without Lessor's prior written consent, such obligations to Guarantor shall not be performed, and such capital shall not be withdrawn, in whole or in part, while Lessee is in default under the Lease.

6. All Lessor's rights, powers, and remedies hereunder and under any other agreement now or at any time hereafter in force between Lessor and Guarantor shall be cumulative and not alternative, and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Lessor at law or in equity. This Guaranty of Lease is in addition to and exclusive of the guarantee of any other guarantor of any obligation of Lessee to Lessor.

7. Guarantor's obligations are independent of Lessee's obligations under the Lease, and, in the event of any default hereunder or under the Lease, a separate action or actions may be brought and prosecuted against Guarantor, whether or not Lessee is joined therein or a separate action or actions are brought against Lessee. Lessor may maintain successive actions for other defaults. Lessor's rights shall not be exhausted by its exercise of any of its rights or remedies or by any such action or by any number of successive actions until and unless all obligations hereby guaranteed shall have been fully performed.

8. Guarantor shall pay to Lessor, without demand, attorneys' fees and all costs and other expenses which Lessor shall expend or incur in collecting or compromising any obligation hereby guaranteed or in enforcing this Guaranty of Lease against Guarantor, whether or not suit is filed including, but not limited to, attorneys' fees, costs and other expenses incurred by Lessor in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceeding involving Guarantor which affects the exercise by Lessor of its rights and remedies.

9. Should any one or more provisions of this Guaranty of Lease be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective. To the extent permitted by law, each party hereby waives any right to a trial by jury in any action seeking specific performance of any provision of this Guaranty of Lease, for damages for any breach under this Guaranty of Lease, or otherwise for enforcement of any right or remedy under this Guaranty of Lease.

10. This Guaranty of Lease shall inure to the benefit of Lessor and its successors and assigns, and shall bind the heirs, executors, administrators, successors and assigns of Guarantor. This Guaranty of Lease may be assigned by Lessor concurrently with the transfer of title to property covered by the Lease, and, when so assigned, Guarantor shall be liable to the assignees without in any manner affecting Guarantor's liability.

11. Upon full performance of all obligations hereby guaranteed, this Guaranty of Lease shall be of no further force or effect.

12. No provision of this Guaranty of Lease or right of Lessor hereunder can be waived or modified, nor can Guarantor be released from Guarantor's obligations, except by a writing duly executed by Lessor.

13. When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural and the masculine shall include the feminine and neuter and vice versa. The word "person" as used herein shall include any individual, company, firm, association, partnership, corporation, trust or other legal entity of any kind.

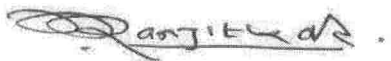
14. If two (2) or more persons or entities are signing this Guaranty of Lease as Guarantor, all such persons and entities shall be jointly and severally liable for Guarantor's obligations.

15. This Guaranty of Lease shall be governed by and construed in accordance with the laws of the State of Colorado. In any action brought under or arising out of this Guaranty of Lease, Guarantor hereby consents to the jurisdiction of any competent court within the State of Colorado and hereby consents to service of process by any means authorized by Colorado law. This Guaranty of Lease shall constitute the entire agreement of Guarantor with respect to the subject matter hereof, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Lessor unless expressed herein.

16. If Guarantor is an entity, each individual executing this Guaranty on behalf of Guarantor hereby represents and warrants Guarantor is a duly formed and existing entity qualified to do business in Colorado and Guarantor has full right and authority to execute and deliver this Guaranty and each person signing on behalf of Guarantor is authorized to do so. Guarantor shall, promptly following Lessor's request therefor, deliver to Lessor evidence of such formation, existence, qualification and authority.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Guaranty on the date indicated below

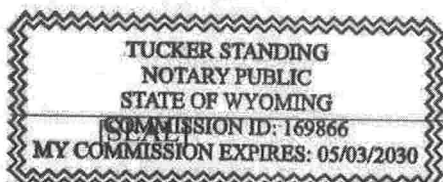


Rajesh Ranjitkar

STATE OF Laramie )  
 ) ss.  
COUNTY OF WY )

The foregoing Guaranty was subscribed and sworn to before me on this 22 day of July 2024, by Rajesh Ranjitkar.

WITNESS my hand and official seal. My commission expires 05/03/2030



Notary Public

IN WITNESS WHEREOF, the parties hereto have executed this Guaranty on the date indicated below

Samba Lamichhane

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing Guaranty was subscribed and sworn to before me on this \_\_\_\_ day of \_\_\_\_\_ 2024, by Samba Lanichhane .

WITNESS my hand and official seal. My commission expires \_\_\_\_\_

[SEAL]

Notary Public

IN WITNESS WHEREOF, the parties hereto have executed this Guaranty on the date indicated below

Rajesh Ranjitkar

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

The foregoing Guaranty was subscribed and sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_ 2024, by Rajesh Ranjitkar.

WITNESS my hand and official seal. My commission expires \_\_\_\_\_.

[SEAL]

Notary Public

IN WITNESS WHEREOF, the parties hereto have executed this Guaranty on the date indicated below

Samba Lamichhane

STATE OF Kentucky )  
COUNTY OF Fayette ) ss.

The foregoing Guaranty was subscribed and sworn to before me on this 23 day of July 2024, by Samba Lanichhane .

WITNESS my hand and official seal. My commission expires 12/12/2026.

[SEAL]

Notary Public

Lezlie Shivar  
LEZLIE SHIVAR  
Notary Public - State at Large  
Kentucky  
My Commission Expires: Dec. 12, 2024  
Notary ID KY NP43082

Commercial Lease  
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IN WITNESS WHEREOF, the parties hereto have executed this Guaranty on the date indicated below

Cherejish Manandar

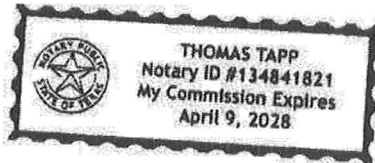
Cherejish Manandar

STATE OF Texas )  
COUNTY OF Tarrant ) ss.

The foregoing Guaranty was subscribed and sworn to before me on this 23 day of July 2024, by Cherejish Manandar.

WITNESS my hand and official seal. My commission expires April 9, 2028

[SEAL]



Thomas Tapp  
Notary Public

New Castle Liquors  
820 Castle Valley Blvd. #104, New Castle, CO 81647

