FIRST AMENDMENT TO LEASE

This First Amendment to Lease (this "***Amendment***") is entered into as of August 25th, 2022, by and between **NMTC AT CO SOUTH, LLC**, a Colorado limited liability company, as landlord ("***Landlord***"), and the **MONTROSE RECREATION DISTRICT**, a special district (***Tenant***").

RECITALS:

A. WHEREAS, NMTC at CO SOUTH, LLC, a Colorado limited liability company ("***Landlord***"), and Tenant were parties to that certain Lease Agreement dated as of February 24, 2022 (as amended by this First Amendment and from time to time, the "***Lease***").

B. WHEREAS, Landlord and Tenant now desire to amend the Lease as provided herein.

NOW THEREFORE, in consideration of the premises and mutual promises contained herein, the parties agree as follows:

1. **Incorporation of Recitals; Defined Terms**. The foregoing recitals are hereby incorporated herein by reference. Capitalized terms not defined herein shall have the meaning given in the Lease.

2. **Section 1.02** Section 1.02 of the Lease is hereby deleted in its entirety and shall be replaced with the following:

> Lease Term. The "Term" (or "Lease Term") of this Lease shall be for seven years, (84) full calendar months, commencing on the Commencement Date defined in Section 1.03 in the Lease, as amended. Tenant shall have a termination option at the end of year 4, or 48 full calendar months. If the Commencement Date does not occur on the first day of a calendar month, the fractional portion of such month shall be added to the Lease Term. Notwithstanding the length of this Term, the Lease shall not be considered a multiyear fiscal obligation of the Tenant, and the Term is subject to annual appropriation by the Tenant, by and through its Board of Directors.

3. Section 1.03 Section 1.03 of the Lease is hereby modified with the following language:

> Commencement Date. The Term of the Lease shall commence on **October 15, 2022**. The Lease shall be for 84 calendar months from this date, subject to section 1.02 of this Lease, as amended.

4. **Section 6.06** Section 6.06 in the Lease is hereby deleted in its entirety and shall no longer apply.

5. **EXHIBIT E** A new Exhibit E is hereby modified and changed in the Lease, replaced with the following language:

EXHIBIT "E"

WORK AGREEMENT

ALL WORK TO BE PERFORMED HEREUNDER SHALL CONFORM TO CODE. CODE SHALL BE DEFINED FOR PURPOSES HEREOF AS ALL FEDERAL, STATE, REGIONAL, COUNTY, MUNICIPAL AND OTHER LOCAL LAWS, STATUTES, REGULATIONS, CODES AND ORDINANCES REGULATING OR AFFECTING THE CONSTRUCTION, USE OR OCCUPANCY OF THE PREMISES, SPECIFICALLY INCLUDING ALL ADA ACCESSIBILITY STANDARDS FOR THE TENANT'S WORK, PARKING SPACES, RAMPS AND SIDEWALKS.

1. **Tenant's Work**. Tenant shall, at its sole cost and expense, construct and install all fixed leasehold improvements in the Premises ("Tenants Work"). Tenant shall receive an improvement allowance of $203, 817 from Landlord ("Allowance"), subject to any offsets from Landlord. Any costs over the Allowance are the responsibility of the Tenant.

2. Tenant's Work will be performed in accordance with the plans described hereto as EXHIBIT B-1. Landlord and/or Landlord's representatives will have full access to the Construction Site for visual inspection of work progress throughout the Construction Phase.

a. **TELEPHONE & NETWORKING** Tenant shall be responsible for the acquisition and installation of all telephone, computer and/or networking improvements within the Premises and shall be performed at Tenant's sole cost and expense.

b. **GENERAL BUILDING REQUIREMENTS**:

i. **Construction Documents:** Prior to commencing Tenant's Work, Tenant shall provide one (1) set of complete "Construction Documents" to Landlord for its review showing all improvements to be completed within and without the Premises, which Construction Documents shall be based upon and substantially similar to the Site Plan attached to the Lease as Exhibit "B-1" as amended and contain all elements of Tenant's Work set forth in this Work Agreement. Upon its receipt of the complete Construction Documents, Landlord shall have fifteen (15) days to review the same and either (i) approve the Construction Documents, or (ii) provide comments or concerns. In the event Landlord provides Tenant with comments or concerns to the Construction Documents, the parties will use commercially reasonable efforts to address and resolve such comments to the mutual satisfaction of the parties. In the event the Landlord fails to provide comments within fifteen (15) days after receiving a copy of the Construction Documents, Landlord is deemed to have waived its right to comment and the Construction Documents shall be deemed accepted.

ii. **Permits**: Tenant, and or its agent, shall be responsible for securing all necessary governmental approvals and permits to perform Tenant's Work. Landlord shall assist, and not withhold consent, to the extent that Landlord's approval is needed in the permitting process. Tenant shall provide notice to Landlord of the completion of the Tenant's Work to the point where Tenant's may commence occupancy of the Premises without material adverse interference resulting from the completion of the Tenant's Work (which shall be referred to as "Substantial Completion").

iii. **Workmanship**: All of Tenant's Work shall comply with all applicable local, state and national codes in effect at the time of the project. All of Tenant's Work shall be executed in a workmanship like manner.

iv. **Delivery of Possession of Premises:** The Premises are to be considered delivered to Tenant as the date is this First Amendment.

v. **Delays:** Any and all delays in for construction of Tenant's Work will not change the Commencement Date of the Lease, or any terms therein.

6. Offset As of the date of this First Amendment, Tenant and Landlord agree that Landlord has spent $32,118.56 on the construction of Tenant's Work, which shall be an offset to the Allowance as described in Section 1 of this First Amendment.

7. Security Deposit. Within ten (10) business days of the execution of this First Amendment, Tenant shall deliver to Landlord the Security Deposit, as defined in the Lease.

8. Counterparts; Electronic Signatures. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument. The parties hereto agree that a signed facsimile copy or scanned and electronically mailed copy of this Amendment shall be as effective as an original signed Amendment.

9. Affirmation of Lease. All other terms and provisions of the Lease that are not specifically modified by this Amendment shall remain in full force and effect, unmodified by the terms of this Amendment. All references herein or in the Lease to the "Lease" shall mean and refer to the Lease, as amended.

10. Binding Effect. This Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the party below has executed this First Amendment effective as of the date first set forth above.

LANDLORD:

NMTC AT CO SOUTH, LLC,
a Colorado limited liability company

By: _____
David Dragoo
Manager

IN WITNESS WHEREOF, the party below has executed this First Amendment effective as of the date first set forth above.

TENANT:

MONTROSE RECREATION DISTRICT, a special district

By: _____

Name: _____

Its: _____

<u>EXHIBIT B-1</u>

Tenant's Work

Construction Site & Construction Phase

[Insert Motley Plans and Shaw Timeline]