

OFFICE LEASE AGREEMENT

RECEIVED FROM LA PLATA ARCHULETA WATER DISTRICT (hereinafter referred to as Tenant), the sum of \$500.00 (FIVE-HUNDRED AND 00/100 Dollars), as first month's rent which, upon acceptance of this Office Lease Agreement ("Lease"), the Owner of the premises, the PINE RIVER SOIL CONSERVATION DISTRICT (hereinafter referred to as Landlord), shall apply as follows:

	<u>Rental Received</u>	<u>Balance Owing Prior to Occupancy</u>
Rent for period beginning March 1 to March 31, 2011	\$500.00	\$0.00

Tenant hereby rents from Landlord the building located at 255-265 Ute Street situated in the Town of Ignacio, County of La Plata, State of Colorado, described as Lots 23 through 26, Halls First Addition to the Town of Ignacio, La Plata County, Colorado, consisting of an office building and off-street parking ("Premises"), upon the following **TERMS AND CONDITIONS:**

TERM: The term hereof shall commence on March 1, 2011, and continue on a month-to-month basis thereafter, until either party shall terminate the same by giving the other party thirty (30) days written notice personally delivered or mailed by certified U.S. Mail, postage prepaid, return receipt requested.

RENT: Rent shall be \$500.00 per month, payable in advance upon the first day of each calendar month to Landlord, at the following address: Pine River Soil Conservation District, c/o Kelly McCaw, ~~771 Hwy. 152, Ignacio, CO 81137~~, or at such other place as may be designated by Landlord from time to time.

7170 Hwy 172
Ignacio, Co 81137

UTILITIES: Tenant shall be responsible for the payment in full of water, sewer, telephone, cable TV, internet service and all utilities and services that have previously been the responsibility of Tenant, as the same become due and payable.

USE: The Premises shall be used as an office by the Tenant.

ORDINANCES AND STATUTES: Tenant shall comply with all statutes, ordinances and requirements of the Landlord, State and Federal authorities now in force or which may hereafter be in force, pertaining to the use of the Premises.

ASSIGNMENT AND SUBLETTING: Tenant shall not assign this agreement or sublet any portion of the Premises without prior written consent of the Landlord.

MAINTENANCE, REPAIRS OR ALTERATIONS: Tenant acknowledges that the Premises are in good order and repair, unless otherwise indicated herein. Tenant shall, at

its own expense, and at all times, maintain the Premises in a clean and sanitary manner, including all equipment, appliances, furniture and furnishings therein and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Tenant shall be responsible for damages caused by Tenant's negligence and that of its elected officials, employees, invitees and guests. Tenant shall provide prior written notice to the Landlord of Tenant's desire to paint, paper or otherwise redecorate the Premises, which shall be deemed consented to by the Landlord if not objected to in writing within three (3) days. Tenant shall not make physical alterations to the Premises without the prior written consent of Landlord. Tenant shall maintain any surrounding grounds, including lawns and shrubbery, and keep the same clear of any rubbish or weeds if such grounds are a part of the Premises and are exclusively for the use of Tenant. Tenant shall be responsible for landscape maintenance and snow removal by contract with Timothy Pacheco.

DAMAGES TO PREMISES: If the Premises are so damaged by fire or from any other cause as to render them untenable, then either party shall have the right to terminate this Lease as of the date on which such damage occurs, through written notice to the other party, to be given within fifteen (15) days after the occurrence of such damage; except that should such damage or disruption occur as a result of the abuse or negligence of Tenant, or its invitees, then Landlord shall have the right to terminate this Lease immediately. Should this right be exercised by either Landlord or Tenant, then rent for the current month shall be prorated between the parties as of the date the damage occurred and any prepaid rent shall be refunded to Tenant. If this Lease is not terminated, then Landlord shall promptly repair the Premises and there shall be a proportionate deduction of rent until the Premises are repaired and ready for Tenant's occupancy. The proportionate reduction shall be based on the extent to which the making of repairs interferes with Tenant's reasonable use of the Premises as determined by Landlord in the reasonable exercise of its discretion.

ENTRY AND INSPECTION: Tenant shall permit Landlord or Landlord's representatives to enter the Premises at reasonable times and upon reasonable notice for the purpose of making necessary or convenient repairs, or to show the Premises to prospective tenants, purchasers or mortgagees.

POSSESSION: Tenant is currently in possession of the Premises.

DEFAULT: If Tenant shall fail to pay rent when due, or perform any term hereof, after not less than ten (10) days written notice of such default given in the manner required by law, the Landlord, at its option, may terminate all rights of Tenant hereunder, unless Tenant, within said time, shall cure such default. If Tenant abandons or vacates the Premises while in default of payment of rent, Landlord may consider any property left on the Premises to be abandoned and may dispose of the same in any manner allowed by law. In the event the Landlord reasonably believes that such abandoned property has no value, it may be discarded. All property on the Premises is hereby subject to a lien in

favor of Landlord for the payment of all sums due hereunder, to the maximum extent allowed by law.

NOTICES: Any notice which either party may give or is required to give may be given by mailing the same, postage prepaid, to Tenant at the Premises or to Owner at the address shown above or at such other places as may be designated by the parties from time to time.

ENTIRE AGREEMENT: The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

Date: June 9, 2011

TENANT: **La Plata Archuleta Water
District**

By: Dick Lunceford
Dick Lunceford, President

ACCEPTANCE

The undersigned representative of the Landlord accepts the foregoing offer and agrees to rent the herein described Premises on the terms and conditions herein specified.

LANDLORD: **Pine River Soil Conservation
District**

By: Allen McEwen