

MASTER LEASE

THIS MASTER LEASE (the "Lease") is made and entered into as of _____, 2022 (the "Effective Date") by and between the Town of Vail, a Colorado home rule municipality (the "Town"), and the Vail Corporation, a Colorado corporation d/b/a Vail Associates, Inc. ("Lessee") (each a "Party" and collectively the "Parties").

WHEREAS, the Town owns the Timber Ridge Village Apartments located at 1280 North Frontage Road, Vail, CO 81657 (the "Apartments");

WHEREAS, Lessee employs large numbers of persons requiring housing of the type afforded by the Apartments, and desires to lease from the Town 37 of the Apartments, together with 27 parking spaces, to sublease those units; and

WHEREAS, the Town is willing to lease such units to Lessee under the terms and conditions stated in this Lease.

NOW THEREFORE, for the consideration hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Lease.** The Town leases to Lessee, and Lessee leases from the Town, 37 units of the Apartments (each a "Unit", and collectively the "Units") listed on **Exhibit A**, attached hereto and incorporated herein by this reference, as well as 27 parking spaces for the Units. The Town retains the reasonable right to change, alter, abolish or add to any of the appurtenances of the Units, as may seem best to the Town, and to dispose of or rent any other portion of the Apartments as the Town elects.

2. **Term.** The term of this Lease shall be 15 months, commencing on June 1, 2022 and terminating on August 31, 2023.

3. **Rent.**

a. Lessee shall pay the Town as rent ("Rent"), without right of setoff and regardless of whether there is in effect a Sublease with respect to any Unit, \$1,620 per month per Unit, other than the 37th Unit, which shall be used for office space and which shall be leased to Lessee at no charge.

b. Rent shall be due and payable as a single sum, in advance, on or before 12:00 noon on the first day of each month at the office. If any Unit is subject to this Lease for a partial month, the Rent for that month shall be prorated on a *per diem* basis.

c. Rent not paid by 8:00 a.m. on the 5th day of the month in which due shall be subject to an initial late charge equal to 5% of the total amount due plus \$5 per day per Unit until paid in full.

4. **Subleasing.** Lessee may sublease its Units to subtenants ("Subtenants") for rental not greater than the aggregate amount of Rent payable under this Lease. Any such

arrangement will be pursuant to a sublease in form and substance reasonably acceptable to the Town (the "Sublease"). The terms of any Sublease will be as Lessee determines to be appropriate in its discretion (but in no event extending beyond the term of this Lease) and subject to such reasonable qualifications and restrictions as the Town from time to time imposes; and one reasonable restriction imposed by the Town is that all Subtenants shall be employees of Lessee who work within the Town.

5. Convenience Fee. In addition to the Rent due under Section 2 hereof, Lessee shall pay the Town a convenience fee of \$34,000 (the "Convenience Fee"). The Convenience Fee shall be paid to the Town in one lump sum within 7 days of the Effective Date. The Convenience Fee shall not be charged to, collected from, or any way passed on to any Subtenant.

6. Possession and Quiet Enjoyment. Upon the payment of Rent and the Convenience Fee, and the performance of all terms of this Lease, Lessee and any Subtenants shall at all times peaceably possess and enjoy the leased Units without any disturbance from the Town.

7. Maintenance and Repairs.

a. The Town shall be responsible for maintaining the following: the structural portions of the Units; the pipes, roof, heating systems, plumbing and plumbing systems serving any of the common areas or the Units; power supplies; exterior windows, doors, equipment and appliances on or about the common areas and the Units. Lessee shall be responsible for all other maintenance of the Units.

b. Lessee shall perform snow removal on walkways, sidewalks, decks and stairs located in Buildings L and M and Unit 37. Should Lessee fail to perform such snow removal, Lessee shall reimburse the Town for any costs incurred by the Town in performing such snow removal.

c. All repairs and maintenance shall be made promptly, as and when necessary, taking into account the circumstance and priority of the repair or maintenance and its impact to Lessee's or Subtenants' use of the Units and common areas and the impact to other Units in the building. All such repairs, replacements and maintenance shall be in quality and class at least equal to the original work. Lessee acknowledges that non-emergency repair and maintenance requests are placed in queue in combination with repairs and projects throughout the entire Apartments, and repairs are addressed in the order received by the Town.

d. Notwithstanding any other provisions to the contrary herein, if repairs or maintenance are necessary as a result of Lessee's or any Subtenant's gross negligence, Lessee shall be responsible for such repairs and maintenance. If Lessee fails to make such repairs, the Town may, but shall not be required to, make such repairs and bill all costs associated with such repairs to Lessee.

8. Covenants of Lessee and Subtenants. Lessee agrees to, and by the terms of the Subleases shall cause all Subtenants to agree to:

a. Comply with all reasonable rules and regulations of the Town for the protection of the building or the general welfare and comfort of the residents of the Apartments, including those stated in **Exhibit B**, attached hereto and incorporated herein by this reference; provided, however, that to the extent that any such rules and regulations conflict with the terms of this Lease, the terms of this Lease shall control;

b. Keep the Units in as good order and condition as when the Units were entered by Lessee, ordinary wear excepted;

c. Except as otherwise permitted in this Lease, to sublet no part of a Unit nor assign this Lease or any Sublease without the express prior written consent of the Town;

d. Neither hold nor attempt to hold the Town, or its agents liable for any injury or damage to person or property either proximate or remote, arising from the acts of Lessee, any Subtenant, any resident of any Unit, any guest of any such resident, or of any owners or occupants of adjoining property;

e. Allow the Town or its employees or agents to enter any Unit at any time to make emergency repairs, or, upon reasonable notice to Lessee and any affected Subtenant, to inspect the Unit, or within 30 days prior to the end of the term of this Lease, to show the Units to prospective subtenants; and

f. Allow a maximum of 3 occupants in each Unit.

g. Successfully enforce quiet hours between 10:00 p.m. to 8:00 a.m., control noise disturbances at all times, and report to the Town all incidents and police activity and all actions taken by Lessee regarding any incidents within 72 business hours.

9. Utilities.

a. The Town shall arrange for provision to the Units of electricity, connection to basic cable television service, water, sewer, trash removal and recycling.

b. The Town shall be solely responsible for the cost and expense of water, sewer, snow removal, trash removal and recycling. Lessee is solely responsible for the cost of electricity. The individual Subtenants shall be solely responsible for activating the cable service in their names and for the cost of the cable service.

c. In the event of excessive use or waste of any utility services provided to any Unit, the Town may at its option cause such services to be separately metered and if it does so Lessee shall pay the metered amount monthly.

d. The Town shall furnish heat to the Units during the usual heating season, and such costs shall be borne by Lessee as electricity costs.

e. The Town shall not be liable for any claim of damages, rebate or charge of any kind in case of the interruption of utility or other services to the Units occasioned by accident, failure of power supply or any other cause beyond the Town's control.

10. Security Deposit.

a. Lessee shall submit to the Town a security deposit in the amount of \$58,320, in cash (the "Security Deposit"). The Security Deposit and any other deposits may, but are not required to be, deposited into an interest-bearing account by the Town. Interest, if any, earned on such deposits shall be solely the property of the Town.

b. In no event shall the Security Deposit be applied to Rent or utility charges.

c. The Security Deposit is subject to deduction or forfeiture for unpaid Rent, late payments, returned check charges, damage to a Unit, its contents or common areas, smoke or stain removal, unreturned keys, administrative charges, re-letting fees, collection costs and cleaning charges. Time spent by the Town or its designee for repairs or maintenance shall be billed at a minimum hourly rate of \$25, and shall be deducted from the Security Deposit.

d. If deducted from or forfeited against for any reason, the Security Deposit shall be replenished up to the original amount within 30 days.

e. Lessee and the Town shall complete the Building Condition Form, attached hereto as **Exhibit C** and incorporated herein by this reference, in evaluating the condition of each building prior to accepting possession, and once again upon releasing possession back to the Town at the termination of this Lease.

f. Within 60 days of the expiration or termination of this Lease, the Town shall return the Security Deposit, subject to any lawful withholdings.

11. Holding Over.

a. If after the expiration or termination of this Lease, Lessee or any Subtenants remain in possession of any Units, with the permission of the Town but without written modification of this Lease extending the term of this Lease or modifying the amount of Rent, such possession shall not constitute a renewal of this Lease, and Lessee shall be a tenant, and any Subtenants shall be subtenants or licensees (as applicable), of the affected Units from month-to-month at a monthly rent equal to 150% of the Rent payable under this Lease for the last month of the term of this Lease, but otherwise subject to all of the other terms and conditions of this Lease.

b. Notwithstanding the foregoing, if Lessee or any Subtenants remain in possession of any Units after the expiration of this Lease, Lessee's or Subtenants' possession of the affected Units shall be month-to-month at a monthly rent equal to the Rent for the previous Lease year and subject to the terms and conditions of this Lease; provided that any holdover tenancy shall not exceed 2 months, total, and it shall be Lessee's responsibility to terminate any holdover tenancy in compliance with this limit.

12. Default.

a. The following shall be considered a Lessee Default under this Lease: if Lessee fails to pay Rent, utility charges, or other charges; is in default of any provision of this Lease, and such default continues for 10 days after the Town has given written notice thereof; or if Lessee becomes insolvent, makes any assignment for the benefit of its creditors, or files any petition or order for relief under the federal bankruptcy laws.

b. If a Lessee Default occurs, the Town may, without waiving any other rights hereunder or available to the Town at law or in equity, terminate this Lease, in which event this Lease and the leasehold estate hereby created and all interest of Lessee and all parties claiming by, through, or under Lessee shall automatically terminate upon the effective date of such notice; and the Town, its agents or representatives, may, without further demand or notice, reenter and take possession of the Property and remove all persons and property from the Property with or without process of law, without being deemed guilty of any manner of trespass and without prejudice to any remedies for existing breaches hereof.

c. The rights and remedies stated in this Section are cumulative, and do not limit or impair any other right or remedy at law or in equity.

13. Casualty Loss.

a. If any of the Units are rendered untenable or are damaged or destroyed by fire or other casualty and if in the Town's reasonable determination such repairs or rebuilding cannot be substantially completed within thirty days after the occurrence of such casualty, then: (i) this Lease shall terminate only as to the affected Units and all Rent and Utility Charges for the affected Units shall be payable with respect to the period ending upon the date of such injury or damage; and (ii) the Town shall thereafter offer Lessee alternative units in substitution for the Units affected by such casualty loss, if available, and Lessee shall accept such alternative units if and to the extent such alternative units are acceptable to Lessee.

b. If any of the Units are rendered untenable or are damaged or destroyed by fire or other casualty and the Town determines to rebuild or repair such Units, and if in the Town's determination such repairs or rebuilding can substantially be completed within 30 days, the Town shall do so with reasonable diligence and this Lease and the Subleases of the affected Units shall not be affected, except that the Rent and utility charges for the affected Units (or a just and proportionate part thereof according to the nature and extent of the damage which has been sustained) shall be abated until the affected Units have been so repaired and restored.

c. Notwithstanding the foregoing, if any of the Units are rendered untenable by reason of fire or other casualty, Lessee may, in its sole discretion, terminate this Lease with regard to the affected Units, and Lessee's obligations under this Lease shall be terminated effective as of the termination date. If the Lease is terminated as to less than

all of the Units, Rent will be reduced by the per-Unit rental amount (in effect at such time) multiplied by the number of Units for which this Lease has been terminated.

14. Insurance.

a. During the term of this Lease, the Town shall provide and keep in force:

(i) Comprehensive general liability insurance to include coverage for bodily injury, property damage, death and personal injury (employee and contractual liability exclusions deleted), contractual liability (including coverage for the contractual liability of the Town for performance of the indemnification provisions of this Lease); and broad form property damage, with limits of not less than \$1,000,000 each occurrence combined single limit for bodily injury, property damage and personal injury and \$2,000,000 aggregate for bodily injury and property damage.

(ii) An umbrella policy with limits not less than \$2,000,000 over the primary comprehensive general liability policy.

(iii) Property insurance covering the Property.

(iv) Fire and extended coverage insurance for all risks, vandalism and malicious mischief, sprinkler damage, boilers and rental loss with respect to the Property.

b. Lessee acknowledges that the Town's insurance does not cover the personal property of Lessee, any Subtenants, or any of their guests. Lessee shall advise Subtenants to purchase insurance coverage for loss to personal property due to fire, theft, water damage and other unfortunate events, liability coverage, and other appropriate insurance coverage.

15. Indemnification. Lessee agrees to indemnify and hold harmless the Town and its officers, insurers, volunteers, representative, agents, employees, heirs and assigns from and against all claims, liability, damages, losses, expenses and demands, including attorney fees, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Lease if such injury, loss, or damage is caused in whole or in part by, the act, omission, error, professional error, mistake, negligence, or other fault of Lessee, any subcontractor of Lessee, or any officer, employee, representative, or agent of Lessee, or which arise out of a worker's compensation claim of any employee of Lessee or of any employee of any subcontractor of Lessee.

16. Successors and Assigns. This Lease shall be binding on the Parties and their permitted successors and assigns. Except as expressly permitted by this Lease, Lessee shall not assign any of its rights or obligations under this Lease or sublet any of the Units without the prior written consent of the Town, such consent not to be unreasonably withheld. Any assignment of a Sublease without such consent shall be void.

17. Termination.

a. The Town may terminate this Lease with or without cause by giving 90 days advance written notice. If the Town terminates this Lease without cause, the Town shall refund a portion of the Convenience Fee to Lessee on a *pro rata* basis, based on the timing of the termination.

b. Lessee may terminate this Lease with or without cause by giving 90 days advance written notice, provided that, if Lessee terminates this Lease without cause, Lessee shall pay to the Town, as an early termination penalty, the remaining amount due under this Lease and all its renewal terms.

c. If the Town terminates this Lease, Lessee shall cause all of the Units to be vacated. If any Subtenants remain after the 90-day period, Lessee shall be responsible for all costs associated with eviction of such Subtenants.

18. Notice. Any notices shall be in writing and shall be deemed sufficiently given if delivered personally or sent by first class United States mail, addressed as follows:

If to the Town:
The Town of Vail
75 S. Frontage Road West
Vail, CO 81657
Attn: George Ruther

If to Lessee:
Vail Associates, Inc.
390 Interlocken Crescent, Suite 1000
Broomfield, CO 81658
Attn: Legal Department

19. Miscellaneous.

a. *Modification.* This Lease shall not be modified except as agreed in writing by the Parties.

b. *Governing Law and Venue.* This Lease shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Eagle County, Colorado.

c. *No Waiver.* Delays in enforcement or the waiver of any one or more defaults or breaches of this Lease by the Town shall not constitute a waiver of any of the other terms or obligation of this Lease.

d. *Integration.* This Lease constitutes the entire agreement between the Parties, superseding all prior oral or written communications.

e. *Third Parties.* There are no intended third-party beneficiaries to this Lease.

f. *Governmental Immunity.* The Town and its officers, attorneys and employees, are relying on, and do not waive or intend to waive by any provision of this Lease, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to the Town and its officers or employees.

g. *Rights and Remedies.* The rights and remedies of the Town under this Lease are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit the Town's legal or equitable remedies, or the period in which such remedies may be asserted.

h. *Subject to Annual Appropriation.* Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the Town not performed during the current fiscal year is subject to annual appropriation, shall extend only to monies currently appropriated, and shall not constitute a mandatory charge, requirement, debt or liability beyond the current fiscal year.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

TOWN OF VAIL, COLORADO

Town Manager

ATTEST:

Tammy Nagel, Town Clerk

LESSEE

By: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was subscribed, sworn to and acknowledged before me this ____ day of _____, 2022, by _____ as _____ of _____.

My commission expires:

(S E A L)

Notary Public

**EXHIBIT A
UNITS**

	<u>Unit #</u>
1	L-1
2	L-2
3	L-3
4	L-4
5	L-5
6	L-6
7	L-7
8	L-8
9	L-9
10	L-10
11	L-11
12	L-12
13	L-13
14	L-14
15	L-15
16	L-16
17	L-17
18	L-18
19	M-1
20	M-2
21	M-3
22	M-4
23	M-5
24	M-6
25	M-7
26	M-8
27	M-9
28	M-10
29	M-11
30	M-12
31	M-13
32	M-14
33	M-15
34	M-16
35	M-17
36	M-18
37	MO-01 (Office)

EXHIBIT B RULES AND REGULATIONS

Lock Outs – If you lock yourself out of your unit after hours, you may contact the answering service by phone at 970476-6759, who will then relay the message to Timber Ridge Village on-call maintenance staff. There is a \$30.00 charge for after-hours lock outs.

Quiet Hours – Quiet hours are between 10:00 p.m. until 8:00 a.m. Failure to comply may result in eviction. Please report any excessive noise to the Vail Police Department at 970-479-2200.

Windows – Storm windows and screens must remain in place at all times. Any missing or broken windows or screens will be repaired or replaced by Timber Ridge Village staff and charges will be assessed to your account.

Laundry Facilities – Laundry facilities are located on the west end of the main office building on the upper and lower levels. Laundry facilities are open from 8:00 a.m. to 10:00 p.m. every day. Please keep laundry room doors closed at all times and dispose of all trash in the provided trash receptacles. Washing machine, dryer and coin machine malfunctions may be reported to MacGray at 1-800-622-4729. Vending machine malfunctions may be reported to Alpine Vending at 970-949-1379.

Decks, Walkways & Stairwells – Decks, walkways and stairwells may not be used for storage. Signs, banners, flags, windsocks and posters are not permitted in any of these areas or on the exterior of the buildings. Drying or hanging garments, cleaning and drying of towels is not permitted. Bicycles may not be stored in these areas. Doghouses, hammocks, patio enclosures, awnings, sunscreens, tiki torches, silk plants, wind chimes, trash bags and barbecue grills are prohibited. Satellite dishes must abide by the Satellite Dish Addendum.

Dumpsters & Trash – Dumpsters are located throughout the property. All trash must be bagged and tied. No furniture or hazardous materials (car batteries, propane tanks, oil, etc.) are permitted. Trash may not be placed on patios, walkways, stairwells or outside of dumpsters. Violation of trash policies will result in a minimum \$20.00 fine per occurrence. Multiple violations will result in a report of littering to the Vail Police Department.

These Rules & Regulations may be amended at any time.

I have read and understand the above property policies and understand that a violation of any of these policies will result in a lease violation, and multiple violations may result in eviction.

Subtenant

Date

**EXHIBIT C
MOVE-IN AND CONDITION FORM
STATEMENT OF BUILDING CONDITION**

MUST BE RETURNED TO CORUM WITH IN 3 DAYS OF MOVE IN DATE

DATE OF INSPECTION: _____

M	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
Bedroom C		
M2	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M3	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M4	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M5	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		

Bedroom B		
Bedroom C		
M6	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M7	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M8	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M9	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M10	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M11	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		

Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M12	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M13	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M14	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M15	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M16	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M17	CONDITION STATUS	COMMENTS

Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		
M18	CONDITION STATUS	COMMENTS
Living Room		
Kitchen		
Bathroom		
Bedroom A		
Bedroom B		
Bedroom C		

Notes: _____

I hereby acknowledge that the above is an accurate statement of the condition of the unit at the time of my taking occupancy.

Vail Signature: _____ Date: _____

Property Manager Signature: _____ Date: _____

EXHIBIT D MANAGEMENT

1. On-Site Management: Lessee shall provide on-site management 5 days/week during the fall check-in period and during the winter season for the management of Subtenant issues, including inspections of Units to control unauthorized occupancy.
2. Notification of Turnover: Lessee shall notify the Town's managing agent of a unit turnover 2 days prior to the move-out date of that unit. Lessee manages its turnover procedure with Subtenants, and neither Town nor its agents shall interfere with Lessee's management of its turnover procedure.
3. Move-out Procedure: Lessee shall complete a move-out inspection form within 48 hours of a Unit or bedroom vacancy. Lessee shall return the form to the Town to assess damage charges.
4. Monthly Unit Inspection Procedure: Lessee shall complete monthly inspection of all Units. Lessee shall also inspect for unreported service requests and damage issues, to ensure the Unit is free of hazards and in proper working order. Lessee shall complete the inspection and return its findings to the Town on or before the 28th of each month.