

Fill in this information to identify the case:

Debtor 1 Gold's Gym Rockies, LLC

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: Northern District of Texas Dallas Division

Case number 20-31325

RECEIVED
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Official Form 410

Proof of Claim

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?

JVRC Associates, LLP

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor

2. Has this claim been acquired from someone else?

☒ No

☐ Yes. From whom?

3. Where should notices and payments to the creditor be sent?

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?

Murray I. Weiner, Esq.

Name

102 S. Tejon Street, Suite 900

Number Street

Colorado Springs CO 80903

City State ZIP Code

Contact phone 719-635-8750

Contact email weiner@mullikenlaw.com

Where should payments to the creditor be sent? (if different)

Name

Number Street

City State ZIP Code

Contact phone

Contact email

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?

☒ No

☐ Yes. Claim number on court claims registry (if known)

Filed on MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☒ No

☐ Yes. Who made the earlier filing?

GGI HOLDINGS POC



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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☒ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 1,008,377.58 Does this amount include interest or other charges?
☐ No
☒ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Commercial Lease Default-see Lease attached hereto

9. Is all or part of the claim secured? ☒ No
☐ Yes. The claim is secured by a lien on property.
Nature of property:
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☐ No
☒ Yes. Amount necessary to cure any default as of the date of the petition. \$ 422,987.70

11. Is this claim subject to a right of setoff? ☒ No
☐ Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

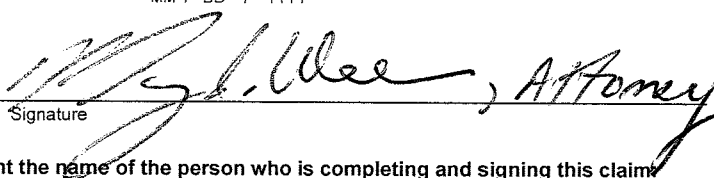
☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 05/27/2020
MM / DD / YYYY


Signature

Print the name of the person who is completing and signing this claim

Name Murray Ian Weiner
First name Middle name Last name

Title Attorney at Law

Company Mulliken Weiner Berg & Jolivet, PC
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 102 S. Tejon Street, Suite 900
Number Street

Colorado Springs CO 80903
City State ZIP Code

Contact phone 719-635-8750 Email weiner@mullikenlaw.com

Mulliken Weiner Berg & Jolivet P.C.

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Jessamyn L. Jones

Of Counsel:
Janet K. Williams

LBaldwin@mullikenlaw.com

May 28, 2020

BMC Group, Inc.
Attention: GGI Holdings Claims Processing
P.O. Box 90100
Los Angeles, CA 90009

Re: Gold's Gym Rockies, LLC; Case No. 20-31325

Dear Sir or Madam:

Enclosed please find the original and one copy of JVRC Associates, LLP's Proof of Claim against Gold's Gym Rockies, LLC, Case No. 20-31325. Also enclosed, please find a self-addressed, stamped envelope for return of a file-stamped copy.

Thank you in advance for your assistance.

Sincerely yours,



Linsey Baldwin
Legal Assistant

/llb
Enclosure

EXHIBIT 1

Gold's Gym Rockies, LLC
JVRC Associates, LLP
Calculation of Proof of Claim

1 Year of Rent Pursuant to the Lease dated February 12, 2012 as subsequently amended, at \$ 48,782.49 per month (Rent and Additional Rent). (502(b)(6)(A))	\$585,389.88
Rent and Additional Rent due without acceleration as of the date the Petition was filed May 4, 2020. (502(b)(6)(B))	\$102,640.51
Damage to Property by Debtor/Per Lease ¶ 11.05 and ¶ 12)	\$320,347.19
Total Amount of Claim	\$1,008,377.58

Gold's Gym
7531 N. Union Blvd.
Colorado Springs, CO 80920

Damage Estimates as of May 20, 2020

Location/Space	Description of Repair/Damage	Vendor/Source	Cost Estimate	Actual Paid	Invoice/Estimate Attached
Front Entry:					
	- Fix Broken Door Closers, Frame Repair	All Seasons Door	-	\$ 401.60	Yes
	- Change Locks	A Mobile Locksmith	-	443.59	Yes
	- Cable and Padlock for Front Doors	Home Depot			
Kids Area:					
	- Disposal of large TV, toys, furniture, etc.		1,000.00		
Lobby, Front Desk & Display Area, Sales Cubicles					
	- Remove trash, furniture, files, Gold's brochures, etc.		500.00		
Fitness room to the left					
Cardio Cinema Room					
Main First Floor Area					
	- Bolts in floor will need to be shaved off or mats may have to be totally replaced. If replacement is necessary, extremely costly at \$3.05/ft ² estimate	rubberflooringinc.com	56,061.00		
	1/3 of total space. 1/3 x 55,142 ft ² = 18,380 ft ²				
	- Electrical hazards - Gold's cut all equipment off at base leaving all electricity exposed		5,000.00		
Pool/Spa Area					
	- Drain pool and clean/drain other components and shut down		2,000.00		
	- Cracked seats in steam room - replace entire unit and tile floor				
	16 seat unit - without tear-out of existing & re-install labor	Aqualine Saunas-Online	27,561.00		
	- Reinstall Labor and tile estimate		10,000.00		
	- Sauna-replacement cost only, no labor or shipping	Aqualine Saunas-Online	11,130.00		
	- Replace hot tub that was filled in with concrete without our knowledge or permission	Aqua Tech	30,000.00		
	- Disposal of chemicals for pool, etc.		3,000.00		
	- Garage clean up with miscellaneous equipment		1,000.00		
	- Roof above pool and fan situation - including replacement of 2 rooftop HVAC units	Peak HVAC	100,000.00		
Other					
	- Landlords time to return clients contents from VIP locker room				
	Unknown at this time - but will be intensive to meet with each	JVRC Associates, LLP	??		
	- Basketball floor was not taken care of - needs refinishing				
	94 ft x 50ft = 4,700 ft ² @ \$3/ft ²	gymfloors.com	14,100.00		
	- Remove store front sign	Spectrum Signs	1,800.00		
	- Remove monument sign panel and replace with blank one	Spectrum Signs	1,300.00		
	- Additional Cleaning		5,000.00		
ESTIMATED TOTALS			320,347.19		

SHOPPING CENTER LEASE

THIS LEASE is made by the parties this 10th day of February, 2012, upon the following terms and conditions:

ARTICLE 1 - Fundamental Lease Provisions

- 1.01 Landlord JVRC Associates LLP, a Colorado limited liability partnership
- 1.02 Tenant Gold's Gym Rockies, LLC
- 1.03 Tenant's Trade Name Gold's Gym
- 1.04 Premises 7655 North Union Blvd., Colorado Springs, Colorado
- 1.05 Lease Term Five (5) years, ~~nine (9)~~ months
Options to Extend Three (3) options Five (5) years each
- 1.06 Commencement Date ~~January~~ February 1, 2012
- 1.07 Termination Date September 30, 2017
- 1.08 Square Feet Approximately 55,142 square feet.
- 1.09 Minimum Annual Rent: (Section 4.01)
- | | |
|---|---------------------|
| January 1, 2012 through July 31, 2012 | \$42,571.18 monthly |
| August 1, 2012 through July 31, 2013 | \$43,422.60 monthly |
| August 1, 2013 through July 31, 2014 | \$44,291.05 monthly |
| August 1, 2014 through July 31, 2015 | \$45,176.88 monthly |
| August 1, 2015 through July 31, 2016 | \$46,080.41 monthly |
| August 1, 2016 through July 31, 2017 | \$47,002.02 monthly |
| August 1, 2017 through September 30, 2017 | \$47,942.06 monthly |
- 1.10 Common Expense Payment Tenant's pro rata share (57% initially subject to adjustment under Article 4.06). 2012 Common Expense shall be \$3.37 per square foot
- 1.11 Percentage Rent N/A
- 1.12 Address for Notice
- To Landlord: To Landlord's management office at:
JVRC Associates LLP
c/o Vintage Communities, Inc.
116 North Nevada Ave.
Colorado Springs, CO 80903
- To Tenant: Gold's Gym Rockies, LLC
125 E. John Carpenter Freeway, Suite 1300
Irving, TX 75062
- 1.14 Permitted use A "fitness center", as defined in Article 5.02(b).

The foregoing paragraphs are referred to as the "Fundamental Lease Provisions." Reference in this Article 1 to other provisions of the Lease are for convenience and designate other articles, sections or exhibits where references to Fundamental Lease Provisions appear. Each reference in the Lease to any of the Fundamental Lease Provisions contained in this Article 1 shall be construed to incorporate all of the terms provided under each such Fundamental Lease Provision. In the event of any conflict between any Fundamental Lease Provision and the balance of the Lease, the latter shall control.

ARTICLE 2 - Definitions and Exhibits

2.01 **Definitions.** The following terms, in addition to those noted in Article 1 above, are defined in the Lease where noted:

Additional Rent. Article 4.04
Common Areas. Article 10.01
Common Expenses. Article 10.03
Landlord's Work. Article 16.01
Lease Contingency Period. Article 25
Minimum Annual Rent. Article 4.01
Possession Date. Article 3.03
Premises. Article 3.01; Exhibit A.
Real Estate Taxes. Article 6.01
Rent. Article 4.04
Shopping Center. Article 2.02; Exhibit A
Site Plan - Article 2.02; Exhibit A
Tenant's Pro Rata Share. Article 4.06
Tenant's Work. Exhibit B.
Trade Fixtures. Article 9.05

2.02 **Exhibits.** The following drawings and special provisions are attached hereto as exhibits and made a part of this Lease:

EXHIBIT A General site plan (the "Site Plan") of an integrated retail shopping center (the "Shopping Center") on real property located in the City, County, and State specified in Exhibit A. The site plan shows, among other things, the principal improvements which comprise the Shopping Center. *(Need to designate "Tenant's Primary Parking Area" per Article 10.06(a))*

ARTICLE 3 - Grant and Term

3.01 **Grant.** In consideration of and in reliance upon the financial strength of Tenant and in consideration of the rents, covenants and agreements herein reserved and contained on the part of Tenant to be performed, Landlord hereby leases and demises to Tenant and Tenant hereby leases and takes from the Landlord, for the term, at the rental and upon the covenants and conditions set forth in this Lease, the commercial space described on Exhibit A attached hereto and made a part hereof, which is referred to as the "Premises." Said Premises shall not include, and Landlord reserves all appurtenant "Common Areas".

3.02 **Commencement and Ending Date of Term.** The term of this Lease shall commence at 12:00 noon on the Commencement Date set forth in the Fundamental Lease Provisions and shall expire at 12:00 noon on the Termination Date set forth in the Fundamental Lease Provisions unless extended pursuant to the terms hereof.

3.03 **Utilities.** On the Commencement Date, all utilities shall be put in the name of Tenant, Tenant shall pay for any and all utilities furnished to the Premises.

3.04

3.05 **Renewal Options.** Tenant shall have three (3), five (5) year renewal options with a Minimum Annual Rent equal to 102% of the immediately preceding Minimum Annual Rent and subject to 2% annual increases during the renewal term. Tenant must provide Landlord written notice of its intent to exercise its renewal option at least one year prior to the expiration of the preceding term.

(a)

ARTICLE 4 - Rent

4.01 **Minimum Annual Rent.** During the term hereof, Tenant shall pay Landlord at Landlord's address, or such other place as Landlord may from time to time designate in writing, "Minimum Annual Rent," in monthly installments in the amounts specified in Article 1.09 above, without prior demand and without any deduction or setoff whatsoever. The first installment shall be payable on January 1, 2012, and subsequent installments shall be due and payable on the first day of each succeeding calendar month.

4.02 Rent Increase. During the term of this Lease, Tenant's rent shall increase two percent (2%) per annum for the Base Term and Option Terms as set forth in the Fundamental Lease Provisions.

4.03 Percentage Rent. intentionally deleted.

4.04 Additional Rent. Tenant shall pay all other sums of money or charges required to be paid by Tenant under this Lease, and all such sums or charges (other than Minimum Annual Rent) are referred to as "Additional Rent". If the charges comprising Additional Rent are not paid at the times provided in this Lease, they shall nevertheless, if not paid when due, be collectible with the next installment of Minimum Annual Rent due, but nothing in this Lease shall be deemed to suspend or delay the payment of any amount of money or charge at the time it becomes due and payable, or to limit any remedy of Landlord. Minimum Annual Rent and Additional Rent are referred to collectively in this Lease as "Rent."

4.05 Past Due Rent. Should the Tenant for any reason whatsoever, fail to pay, when the same is due and payable, any Rent and should the Rent not be paid on or before the tenth (10th) of the month, Tenant shall pay a late penalty equal to ten percent (10%) of the unpaid amount. In addition, all unpaid rents shall bear interest from the date due to the date of payment at the rate of six percent (6%) per annum in excess of the prime rate as quoted by US Bank, or its successors, to its best customers, or the highest rate permitted by law, whichever is greater. In addition, Tenant shall pay to Landlord a charge equal to Fifty Dollars (\$50.00) for any checks returned for insufficient funds.

4.06 Tenant's Pro Rata Share. Since the operation, maintenance, and preservation of the Shopping Center constitutes a benefit to Tenant, Tenant is required by this Lease to pay a portion of certain expenses relating to the Shopping Center as Additional Rent. The portion of such expenses to be paid by Tenant is referred to in this Lease as "Tenant's Pro Rata Share," and is determined by multiplying the total of such expenses by a fraction, the numerator of which is the floor area (defined below) of the Premises and the denominator of which is the floor area of all buildings in the Shopping Center. For the purpose of this Lease, the term "floor area" shall mean the number of square feet of total building area on all levels in the Shopping Center (as initially constructed or as the same may at any time be enlarged or reduced) and measured in all cases to the exterior surface of exterior walls or to the exterior line of Tenant's Premises and to the center line of joint partitions and party walls, but excluding any floor space in the Common Areas.

ARTICLE 5 - Use of Premises

5.01 General. During the term of this Lease, Tenant shall use the Premises solely for the purposes and under the trade name specified in the Fundamental Lease Provisions of Article 1 above. Tenant shall not use or permit the Premises to be used for any other purpose or purposes or under any other trade name whatsoever without the prior written consent of Landlord. Tenant shall not, without the prior written consent of Landlord, allow gaming machines on the Premises. Tenant further covenants and agrees that it will not suffer or permit any person or persons to use the Premises or any part thereof for conducting therein a second-hand store, auction, distress or fire sale or bankruptcy or going-out-of-business sale, or for any use or purpose in violation of the laws of the United States of America, or the laws, ordinances, regulations and requirements of the State, County and City where the Shopping Center is situated, or other lawful authorities. During the term of this Lease, the Premises, and every part thereof, shall be kept by Tenant in a clean and wholesome condition free of any objectionable noises, odors or nuisances, and all health and police regulations shall, in all respects and at all times, be fully complied with by Tenant. However so long as Tenant complies with all State, County and City noise ordinances and standards, Landlord shall not object to reasonable noises that are commonly associated with the operation of a fitness center or gym.

(a) In addition to the permitted use set forth in the Fundamental Lease Provisions of Article 1, Tenant shall be permitted to use a portion of the Premises for the operation of a smoothie bar, pro shop, tanning salon, and a physical therapist and/or chiropractic office.

(b) Landlord shall not lease any portion of the Shopping Center to any other tenant for the purposes of allowing the use of a fitness center. A "fitness center" is defined for the purposes of this Lease as a use of greater than 1,500 square feet that is comprised of a combination of weight training facilities (both free weight and machines) and aerobic workout facilities, but does not include boxing or martial arts or substantially similar facilities; or dance studios or substantially similar facilities; or tanning salons or substantially similar facilities. Any premises leased prior to the date of this Lease, or leased pursuant to an existing lease option, shall be permitted and shall not be in violation of Article 5 of this Lease.

5.02 Use of Exterior Areas. Tenant may not display or sell merchandise, nor allow carts, portable signs, devices or any other objects, to be stored or to remain outside the defined exterior walls or roof and permanent doorways of the Premises, or in hallways. No aerial or antenna shall be erected on the roof or

exterior walls of the Premises without first obtaining, in each instance, the written consent of Landlord. Any aerial or antenna so installed without such written consent shall be subject to removal by Landlord without notice at any time. In addition, Tenant will not solicit in any manner in any of the automobile parking or Common Areas of the Shopping Center, except as specifically authorized by Landlord on Exhibit B.

5.03 Abandonment, Hours, Restrictions. If Tenant shall for reasons other than those specifically permitted in this Lease, cease to conduct its normal business operations in the Premises or shall vacate or abandon the Premises and leave the same vacated or abandoned for a period of five (5) days, subject to remodeling work performed by Tenant or acts of God, Tenant shall be in default. Tenant agrees that it will, during the term of this Lease:

(a) keep the Premises open for business to the general public daily (Sundays and national holidays excepted, provided, however, the Premises may remain open on Sundays and/or national holidays if Tenant so elects and if such opening shall not be in violation of applicable law);

(b) keep the display windows, exterior signs and exterior advertising displays of the Premises adequately illuminated continuously from dusk to 10:00 P.M.;

(c) intentionally omitted;

(d) comply with such other rules and regulations as Landlord shall reasonably require in the best interest of the Shopping Center.

5.04 Right to Contest. Tenant shall have the right, after at least ten (10) days prior written notice to Landlord, to contest by appropriate legal proceedings, without cost or expense to Landlord, the validity of any law, ordinance, order, rule, regulation or requirement of any nature which affects the Premises, and to postpone compliance with the same, provided such contest shall be promptly and diligently prosecuted by and at the expense of Tenant and so long as Landlord shall not thereby suffer or be subjected to any civil or criminal penalties or sanctions, and Tenant shall properly protect and save harmless Landlord against any liability or claims for any such noncompliance or postponement of compliance. Tenant shall not however, have the right to contest any law or other item referred to in the preceding sentence if such contest would have any possible adverse effect upon the interest of Landlord in the Premises or Shopping Center. Landlord shall also have the right, but shall be under no obligation, to contest, by appropriate legal proceedings, as a Common Expense, any such law, ordinance, rule, regulation or requirement.

5.05 Compliance with laws and regulations. Tenant covenants and agrees that at all times during the term hereof it will maintain and conduct its business insofar as the same relates to the occupancy of the Premises, in such a manner and under such regulations that are in strict compliance with any and all applicable governmental and/or quasi-governmental laws, rules, regulations and orders, as well as any and all applicable provisions of insurance underwriters at the Premises. Tenant shall indemnify Landlord, Landlord's insurer, and the property of Landlord against any and all claims or losses or actions or causes of action resulting from Tenant's failure to comply with said laws, rules, regulations and orders and underwriting provisions. Landlord shall indemnify Tenant, Tenant's insurer, and the property of Tenant against any and all claims or losses or actions or causes of action resulting from Landlord's failure to comply with said laws, rules, regulations, orders and underwriting provisions.

ARTICLE 6 - Property Taxes and Utility Expenses

6.01 Tenant's Share of Taxes. In addition to all other sums payable hereunder, Tenant shall pay Landlord, as Additional Rent, Tenant's Pro Rata Share of all "Real Estate Taxes." The term "Real Estate Taxes" means any form of real or personal property taxes, assessments, special assessments, fees, charges, levies, penalties, service payments in lieu of taxes, excises, assessments and charges for transit, housing or any other purposes, impositions or taxes of every kind and nature whatsoever, assessed or levied or imposed by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state, or federal government, or any improvement or assessment district of any kind, whether or not consented to or joined in by Tenant, against the Premises or the Shopping Center or any legal or equitable interest of Landlord in the Shopping Center or any personal property of Landlord used in the operation of the Shopping Center, whether now imposed or imposed in the future, whether or not now customary or in the contemplation of Landlord and Tenant on the date of this Lease, excepting only taxes measured by the net income of Landlord from all sources. Tenant's Pro Rata Share of the Real Estate Taxes shall begin to accrue and be assessed against Tenant as of January 1, 2012. From February 1, 2012 to December 31, 2012, and each year thereafter, Tenant shall pay to Landlord an estimated share of Real Estate Taxes based upon the prior year's tax bill. The necessary adjustments to the Tenant's Pro Rata Share of the Real Estate Taxes, if any, shall be made in accordance with Article 10.04(b). Tenant shall not be responsible for payment of any taxes assessed to the

Premises prior to January 1, 2012. All Real Estate Taxes shall be considered part of the Common Expenses and shall be charged and paid as provided in Article 10.

6.02 **Utility Expenses.** Tenant shall pay the utility supplier directly for all expenses for utilities which are separately metered for the Premises and which are furnished to the Premises, the improvements or any occupants of the Premises during the term of this Lease. Any such utility expenses which are not separately metered and are billed to Landlord shall be deemed part of the Common Expenses and shall be billed to and reimbursed by Tenant as provided in Article 10. Tenant shall not be responsible for tap fees for water or sewer, as long as the tap size for the utility does not increase from the size of the tap as of the date of this Lease. In the event the size of the current taps need to be increased, Tenant shall be responsible for all costs and expenses associated with increasing the size.

ARTICLE 7 - Good Merchandising Standards

During the term of this Lease, Tenant agrees to take all means necessary to prevent any manner of operation or use of the Premises not in accordance with good merchandising standards. Without limitation, Tenant expressly covenants and agrees that Tenant will not use, suffer or permit any person to use in any manner whatsoever, the Premises or the Shopping Center or any parts thereof, for a purpose calculated to injure the reputation of the Premises or of the Shopping Center or of adjoining property; nor for any immoral or unlawful purpose whatsoever; or for any use, trade business, occupation or vocation whatsoever that may in any way be illegal, disreputable or immoral; or for any purpose which would interfere with the rights and easements of other tenants.

ARTICLE 8 - Advertising Signs

Tenant may, at its sole cost, erect a sign or signs affixed to the Premises, which are pre-approved by Landlord, which approval shall not be unreasonably withheld. Tenant shall not affix or maintain upon the glass panes and supports of the show windows (and within twenty-four inches of any window), doors and the exterior walls of the Premises, any signs, advertising placards, names, insignia, trademarks, descriptive material or any other such like item or items except those which have first received the written approval of Landlord. Tenant shall not affix any sign to the roof of the Premises. In addition, no advertising medium (other than approved signs) shall be utilized by Tenant on the Premises which can be heard or experienced outside Tenant's Premises at the same time it is being utilized on the Premises, including without limiting the generality of the foregoing, flashing lights, searchlights, loudspeakers, phonographs, radios or televisions. Tenant shall not display, paint or place or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicles parked in the parking area of the Shopping Center whether belonging to Tenant or to Tenant's agent, or to any other person; nor shall Tenant distribute or cause to be distributed in the Shopping Center, any handbills or other advertising devices, and in the event of a violation of this covenant by Tenant, Tenant shall pay to Landlord the cost and expense necessary to remove any such unauthorized material from the Shopping Center if it was placed there by Tenant or Tenant's agent. Tenant is not responsible for removing any such unauthorized material placed by anyone other than Tenant or Tenant's contractors or agents.

ARTICLE 9 - Construction of Premises

9.01 Intentionally Deleted.

9.02 **Liens.** Tenant shall not suffer or permit any liens to be filed or enforced against the estate of Landlord or against Tenant's leasehold interest by reason of work, labor, services or materials supplied or claimed to have been supplied to Tenant or anyone holding the Premises, or any part thereof, through or under Tenant, and Tenant agrees to indemnify Landlord against such liens. Tenant understands that pursuant to Colorado statute, Landlord shall have the right to post the Premises with a notice of non-liability for any lien arising from work performed or materials furnished at the instance of the Tenant, and Tenant agrees to so notify Tenant's subcontractors and suppliers, and to assure that said notice remains posted in a conspicuous place during the entire time in which said work is being performed or material furnished and to notify Landlord immediately of any removal, damage or obstruction to the posted notice. Tenant shall give written notice to Landlord at least ten (10) business days prior to the commencement of any work relating to alterations, improvements or additions to the Premises and shall post the Premises giving all persons notice of non-liability for work performed or materials supplied pursuant to the Colorado Mechanic's Lien Act. Failure by Tenant to provide Landlord with such notice or post the Premises shall be deemed a material default under this Lease. Tenant shall indemnify and hold Landlord harmless as to any and all claims, fees, damages, debts, losses or

liability resulting from the work performed or materials furnished at the instance of the Tenant. Further, to insure such indemnity, Landlord may, at its sole option, require the Tenant to furnish a surety bond written by a licensed insurance company therein guaranteeing Tenant's full and timely performance hereunder in such amount as is prescribed by the Landlord.

9.03 Discharge of Liens. In the event that Landlord is served with a notice of lien, or a lien is recorded, affecting in any way the Shopping Center as a result of work performed or materials furnished at the instance of the Tenant, and in the event Tenant gives notice to Landlord on a timely basis of a good faith dispute with respect to the substance of such claim or lien, Tenant shall immediately provide a security bond or other reasonably acceptable security, sufficient under Colorado statute to release the lien on Landlord's property. In the event Tenant fails to provide such security Landlord may, at its option (but shall not be obligated to) discharge and pay the amount of the lien claim and bill all costs, expenses and fees attributable thereto to Tenant together with interest at the rate of six percent (6%) per annum in excess of the prime rate as quoted by the US Bank, or its successor, to its best customers, or the highest rate permitted by law, whichever is greater, and Tenant shall pay Landlord the amount billed upon demand.

9.04 Requirement of Law. All work to be performed by Tenant at the Shopping Center shall conform with all applicable laws, rules, regulations, orders, and requirements of all governmental bodies having jurisdiction and of the local Board of Fire Underwriters or other local body exercising similar functions. Landlord consents to variations in plans and specifications being made by Tenant without prior approval by Landlord, in order to conform the plans and specifications to such laws, rules, regulations, orders and requirements, provided any such variation is not substantial.

9.05 Ownership. Landlord shall own all improvements constructed as "Tenant's Work" hereunder and all fixtures attached to the Premises, although as part of the consideration for this Lease, Tenant agrees to insure and maintain portions of same, as hereinafter provided. However, Landlord shall not own any of Tenant's trade fixtures, furnishings and equipment not attached to the Premises. For the purposes of this Lease, Tenant's trade fixtures, furnishings and equipment are detailed as follows: workout equipment, floor mats, weights, mirrors, fans, shelving, racks, counters, computer equipment and wiring, telephone equipment and wiring, audio equipment and wiring, security equipment and wiring, safes, intercom systems, refrigerated cases, and lighting,

9.06 Limitations. Nothing in this Lease shall be deemed to be, or construed in any way to constitute, the consent or request of Landlord, express or implied, by inference or otherwise, to any person, firm or corporation, for the performance of any labor or the furnishing of any materials for any construction, rebuilding, alteration or repair of or to the Premises, the Shopping Center or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials, which might in any way give rise to the right to file any lien against Landlord's interest in the Premises or the Shopping Center.

ARTICLE 10 - Common Areas Expenses

10.01 Definition of Common Areas. The term "Common Areas" shall designate that portion of the common areas located within the Shopping Center which are available for the use and benefit of all tenants of the Shopping Center, their guests, customers, invitees, concessionaires and licensees, or for the use and benefit of the Shopping Center as a whole, and shall include, but not be limited to, all parking, mail areas, walkways, landscaping, driveways, loading areas (excluding raised loading docks used exclusively by another tenant or occupant) and Shopping Center signs. The general public (not customers, guests or invitees) shall have no rights in and to the common areas.

10.02 Use and Maintenance. Tenant and its employees and invitees are, except as otherwise specifically provided in this Lease, authorized, empowered and privileged to use the Common Areas in common with other persons during the term of this Lease. Landlord agrees to maintain and operate, or cause to be maintained and operated (except as hereinafter provided with reference to cost of maintenance), the Common Areas at all times, for the benefit and use of the customers and patrons of Tenant, and of other tenants, owners and occupants of the land constituting the Shopping Center. Landlord shall keep or cause to be kept said Common Areas in a neat, clean and orderly condition, properly lighted and landscaped, and shall repair any damage to the Common Areas in a timely manner.

10.03 Expenses. All expenses in connection with the Common Areas, as well as certain other expenses relating to the Shopping Center shall be charged and prorated in the manner set forth in this Article 10.03. The phrase "Common Expenses" as used herein shall be construed to include, but not be limited to, all sums expended in connection with general maintenance and repairs of the Common Areas, in a manner deemed by Landlord reasonable and appropriate and for the best interests of the Shopping Center. This includes, but is not limited to, resurfacing, painting, restriping, cleaning, sweeping and janitorial services relating to the Common

Areas; maintenance and repair of sidewalks, curbs, and Shopping Center signs, sprinkler systems, planting and landscaping; lighting and other utilities, including utilities supplied to any tenants of the Shopping Center which are not separately metered and billed to the tenants as provided in Article 6.02; directional signs and other markers and bumpers; maintenance and repair of any fire protection systems, lighting systems, storm draining systems, any other utility systems; roof (unless damage is caused by Tenant or a result of Tenant's installation of equipment); wall patching; personnel to implement such services including, if Landlord deems necessary, the cost of security guards; governmental impositions or surcharges imposed against Landlord or assessed against the automobile parking areas or any other portion of the Common Areas; a security alarm system for the tenants in the Shopping Center; depreciation on maintenance and operating machinery and equipment (if rented); adequate public liability and property damage insurance on the Shopping Center and Common Areas, as provided in Article 13.01; and all Real Estate Taxes. In addition, Common Expenses for each calendar year shall include an amount equal to fifteen percent (15%) of the total of all other Common Expenses for such calendar year to compensate Landlord for the costs of accounting, collecting and administering the Common Expenses ("Management Fee"). However in no case shall the Management Fee increase more than three percent (3%) compounded annually. Landlord may cause any or all of the services included within Common Expenses to be provided by an independent contractor or contractors. Should Landlord acquire or make available additional land not shown as part of the Shopping Center on Exhibit A for parking or other Common Area purposes, then the Common Expenses shall also include all of the Common Expenses incurred and paid in connection with such additional land. However, Landlord must obtain Tenant's prior written consent before increasing Tenant's Common Expenses as a result of Landlord acquiring additional land, Tenant's consent may not be unreasonably withheld, conditioned or delayed. In no event shall Common Expenses, excluding taxes and insurance, increase more than five percent (5%), compounded annually.

10.04 Payment of Common Expenses. Since the operation, maintenance and preservation of the Common Areas constitutes a benefit to Tenant, Tenant shall pay to Landlord as Additional Rent, Tenant's Pro Rata Share of the Common Expenses in the following manner:

(a) Beginning on January 1, 2012 and continuing thereafter, but subject to adjustment as hereinafter provided, Tenant shall pay Landlord on the first (1st) day of each calendar month of the term of this Lease an amount estimated by Landlord to be Tenant's monthly Pro Rata Share of such Common Expenses. If the Possession Date is not the first (1st) day of a calendar month, the payment for such month shall be prorated on a per diem basis, and there shall be a similar proration for the final month of the Lease term. Landlord may adjust the estimated monthly charge at the end of any calendar year on the basis of Landlord's experience and reasonably anticipated costs.

(b) Within ninety (90) days following the end of each calendar year, or such longer time as may be practicable, Landlord shall furnish Tenant a statement covering the calendar year just expired, certified as correct by an authorized representative of Landlord, showing the total Common Expenses (with Real Property Taxes as a separate item), the amount of Tenant's Pro Rata Share of such Common Expenses for such calendar year, the payments made by Tenant with respect to such period as set forth in subsection 10.04(a), and the estimated monthly charge to be paid by Tenant for the remainder of the current calendar year (the "Common Expenses Statement"). Landlord shall retain all records related to Common Expenses for three years. Tenant shall have the right to audit the Common Expenses for any year and if such audit shows that Landlord overcharged Tenant for Common Expenses in any year, Landlord will pay for such audit. The Common Expenses Statement shall be revised to reflect the results of Tenant's audit. If the payments for Common Expenses made by Tenant during the previous calendar year exceed Tenant's Pro Rata Share of such Common Expenses, Tenant shall be entitled to offset the excess against the monthly payments next coming due. If Tenant's Pro Rata Share of such Common Expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of such statement. In either case, Tenant shall pay Landlord, within ten (10) days after receipt of the statement, the difference between the monthly installments of Common Expenses paid by Tenant during the current calendar year and the amount which would have been required to be paid by Tenant for the current calendar year if the new monthly installment had been in effect since the beginning of the current calendar year.

10.05 Tenant's Use and Parking. Tenant, and its employees and customers, shall have the nonexclusive right to use the Common Areas as constituted from time to time. Such use is to be in common with Landlord, other tenants in the Shopping Center and other persons permitted by Landlord to use the same, and shall be subject to such reasonable rules and regulations governing use as Landlord may from time to time prescribe, including the designation of specific areas within the Shopping Center or in reasonable proximity to it in which automobiles owned by Tenant, its employees, subtenants, licensees and concessionaires shall be parked. In this regard, Tenant shall furnish to Landlord, upon request, a complete list of license numbers of all automobiles operated by Tenant, its employees, subtenants, licensees or concessionaires. Tenant shall not solicit business within the Common Areas or take any action which would interfere with the rights of other persons to use the Common Areas. Landlord may temporarily close any of the Common Areas for such periods

of time as may be necessary to make repairs or alterations or to prevent the public from obtaining rights. Landlord may from time to time substitute for any parking area other areas of the Shopping Center reasonably acceptable to Tenant, which areas may be elevated, surfaced or underground.

10.06 Changes in Common Areas. Landlord shall have and hereby reserves at any time or times during the term of this Lease:

(a) the right to designate and to change the Common Area portions of the Shopping Center including, but not by way of limitation, the parking areas and facilities not specifically assigned as primary parking for Tenant, approaches, exits, entrances, delivery and loading area, roadways and all other common and public facilities, provided that Landlord shall not reduce the number of parking spaces such that Tenant has less than 4 parking spaces per 1,000 square feet of the Premises available for its customers to park and provided that Landlord shall obtain Tenant's written consent prior to making any changes to the Common Areas contained within the approval area designated on the Site Plan attached as Exhibit A and to the parking areas and facilities specifically designated as "Tenant's Primary Parking Area". Tenant's consent shall not be unreasonably withheld, conditioned or delayed.

(b) the right to close all or any portion of the Common Areas of the Shopping Center including, but not by way of limitation, the parking areas, parking facilities, approaches, exits, entrances, roadways and all other common and public facilities to such extent as may, in the sole opinion of Landlord, be legally necessary to prevent a dedication thereof or the accrual of any rights in any person;

(c) the right to relocate and change any of the proposed buildings and other improvements shown on the Site Plan attached as Exhibit A (provided Landlord agrees it will not materially alter the location of the Premises or materially alter the amount of floor area of the Premises) and to make, or permit to be made, additions (including additional stories) to any building and improvements now or hereafter constructed in the Shopping Center and to construct or permit to be constructed additional buildings and improvements (including elevated or multi-level parking facilities) in the Shopping Center as the same may be from time to time constituted and for any and all of such purposes to use portions of the Common Areas of the Shopping Center, including, but not by way of limitation, the parking areas, parking facilities, approaches, exits, entrances, roadways and all other common and public facilities, provided that Landlord shall not reduce the number of parking spaces such that Tenant has less than 4 parking spaces per 1,000 square feet of the Premises available for its customers to park; and

(d) the right to establish and amend, and to enforce against Tenant and other users of the Common Areas, such reasonable rules and regulations as may be deemed necessary or advisable for the proper and efficient operation or maintenance of the Common Areas.

ARTICLE 11 - Repairs and Maintenance

11.01 Tenant's Repairs and Maintenance. Tenant at all times and at its own cost and expense, shall repair, replace and maintain in good and tenantable condition the Premises and every part thereof, excluding the roof, gutters, exterior walls, structural parts of the Premises and structural floor, but including carpeting, tile, terrazzo and all other floor covering, and also including without limitation the utility meters, pipes and conduits, all fixtures, air-conditioning and heating equipment serving the Premises and other equipment therein; the roof (if Tenant is responsible for damaging the roof); the fire suppression system; the store front or store fronts; all Tenant's signs; locks and closing devices; and all windows, window sashes, casements or frames, door and door frames; and all such items of repair, maintenance and improvement or reconstruction as may at any time or from time to time be required by a governmental agency having jurisdiction thereof. Tenant shall contract with a service company for reasonable maintenance on a regular schedule and as needed, of the heating and air-conditioning equipment, and fire suppression system. Tenant shall provide Landlord with periodic updates on the condition of the fire suppression system. All glass, both exterior and interior, is at the sole risk of Tenant, and any glass broken shall be promptly replaced by Tenant with glass of the same kind, size and quality. Tenant shall also repair any damage in connection with any burglary or forcible entry into the Premises at Tenant's sole expense. If Tenant refuses or neglects to make repairs or maintain the Premises, or any part thereof, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice of its election to do so, unless in the case of an emergency, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. In such event, the work done by Landlord shall be paid for by Tenant as Additional Rent promptly upon receipt of a bill therefore. Unless in the case of an emergency, Tenant shall have thirty (30) days, after receiving written notice from the Landlord, to repair or perform such necessary maintenance before Landlord makes such repairs performs such maintenance listed in Landlord's written notice.

11.02. **Landlord's Repairs.** Subject to Tenant's repair obligations under Article 11.01, Landlord shall keep and maintain in good tenantable condition and repair, the roof, exterior walls and finishes including brick, stucco and paint, and pipes and conduits outside the Premises for the furnishing to the Premises of various utilities (except to the extent that the same are the obligation of the appropriate public utility company); provided, however, that Landlord shall not be required to make repairs necessitated by reason of the negligence of Tenant or anyone claiming under Tenant, or by reason of the failure of Tenant to perform or observe any conditions or agreements in this Lease contained, or caused by alterations, additions or improvements made by Tenant or anyone claiming under Tenant. Tenant shall permit Landlord access to the Premises at all reasonable times and upon reasonable notice to inspect and clean the Premises and to undertake all repairs, alterations, additions, installations and removals, which Landlord is permitted or required to make under this Lease, or which Landlord may deem proper or useful for serving the Premises or the Shopping Center. It is expressly understood that any repairs or maintenance performed by the Landlord may be made, after prior notice thereof, at the Premises or within Common Areas during ordinary business hours so as not to unreasonably cause the Landlord to incur any additional expenses for labor and/or materials. Notwithstanding any other provision of this Lease, Landlord shall not in any way be liable to Tenant for failure to make repairs as herein specifically required of it unless Tenant has previously notified Landlord, in writing, of the need for such repairs, and Landlord has failed to commence and complete said repairs within a reasonable period of time following receipt of Tenant's written notification. As used in this Article 11, the "exterior walls" shall not be deemed to include store front or store fronts, plate glass, window cases or window frames, doors or door frames, security grilles or similar enclosures. Landlord shall be under no obligation to make any repairs, alterations, renewals, replacements or improvements to and upon the Premises or the mechanical equipment exclusively serving the Premises at any time, except as expressly provided in this Lease. Landlord shall return the Premises to the condition existing prior to commencement of any of Landlord's repairs under this Section, if Landlord must enter the Premises to conduct the repairs. No exercise by the Landlord of any rights or duties herein prescribed shall entitle the Tenant to any damage for any injury or inconvenience occasioned thereby nor to any abatement of rent.

11.03 **Landlord's Liability.** Landlord shall not be liable to Tenant for any damage or injury to Tenant or Tenant's property occasioned by any failure of utilities, defect of plumbing, heating, air cooling, air conditioning equipment and ducts, electrical wiring or insulation thereof, gas pipes, or steam pipes, or from broken steps, or from the backing up of any sewer pipe, or from the bursting, leaking or running of any tank, tub, washstand, toilet, or waste pipe, drain or any other pipe or tank in, on or about the Premises, or from the escape of steam or hot water from any boiler, radiator, or any other permanent devices, or for any such damage or injury occasioned by water being on or coming through the roof, stairs, walks or any other place on or near the Premises unless Landlord neglects or fails to make necessary repairs required of it to be made under the terms of this Lease after receipt of written notice thereof from Tenant, or for any such damage or injury done or occasioned by the falling of any fixture, plaster, or stucco, or for any such damage or injury caused by wind or by the act, omission, or negligence of co-tenants, occupants of the same building or of adjacent buildings or contiguous property or any other person.

11.04 **Trash Pickup.** All trash shall be contained within the Premises or in a container designated by Landlord for this purpose. Tenant shall bear all cost of periodic trash pickups as may be applicable to the Premises and Tenant shall keep the Premises free from filth, danger of fire or any nuisance, and shall comply with all city ordinances, state laws and regulations applicable thereof, and protect and defend Landlord from all charges for such.

11.05 **Surrender of Premises.** At the expiration or termination of the Lease, Tenant shall surrender the Premises in the same condition as it existed on the commencement date of this Lease ordinary wear and tear excepted. All Tenant Work and fixtures which have become attached shall be part of the Premises except trade fixtures, furnishings and equipment (as defined in Article 9.05 above). In the event Tenant fails to remove any fixtures, furniture, equipment or other items of personal property from the Premises at the expiration or termination of the lease term, Landlord may, at its option, dispose of or store such items at Tenant's expense. Further, within ninety (90) days prior to the expiration of the term, Landlord shall, during reasonable business hours, have the right to show the Premises to third parties for the purposes of again leasing same.

ARTICLE 12 - Alterations

Tenant shall make no alterations or additions to the Premises, nor install or cause to be installed in or about the Premises any heating, cooling or air conditioning equipment or any other equipment of any nature, without the prior written consent of Landlord. Landlord consents to alterations to the Premises, which do not exceed \$20,000 per alteration and done in the ordinary course of business that do not impact structural components or HVAC, plumbing or electrical. All alterations, additions, improvements and fixtures (other than trade fixtures) made or installed upon the Premises at the termination of this Lease are the property of Landlord unless Landlord requests their removal, in which event Tenant shall remove the same and restore the Premises

to their original condition at Tenant's expense. If Tenant shall not be in default, Tenant shall be entitled to remove its trade fixtures, furnishings, and equipment from the Premises at the termination of this Lease; provided Tenant shall repair any damage caused by such removal and restore the Premises to their original condition at Tenant's expense. Any carpeting, linoleum or other floor covering of similar character which may be cemented or otherwise affixed to the floor of the Premises shall become the property of Landlord without credit or compensation to Tenant. Heating, ventilation, air conditioning (HVAC) or any other equipment installed on the roof shall remain and not be removed, except that any fans installed by Tenant shall be considered trade fixtures and any damage caused by the removal of said fans shall be repaired at Tenant's sole cost and expense.

ARTICLE 13 - Insurance and indemnity

13.01 Landlord's Insurance. Throughout the term of the Lease, Landlord will maintain as an Operating Expense: (i) commercial general liability insurance with a combined single limit for bodily injury and property damage of not less than One Million Dollars (\$1,000,000.00) for each occurrence resulting from the operations of the Landlord or its employees in the Shopping Center; and (ii) special form property insurance covering the Shopping Center, Shopping Center standard tenant improvements, and all equipment owned by Landlord and used in connection with the Shopping Center in an amount not less than their full replacement value.

13.02 Tenant's Insurance. Throughout the term of the Lease, Tenant will, at its expense, maintain: (i) workers' compensation in an amount required by law; (ii) employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) for each accident for bodily injury by accident and One Million Dollars (\$1,000,000.00) for each employee for bodily injury by disease; (iii) commercial general liability with a per occurrence limit of One Million Dollars (\$1,000,000.00) and a general aggregate of Two Million Dollars (\$2,000,000.00) for bodily injury and property damage on an occurrence basis and containing an endorsement having Landlord, its agents, employees and lender as additional insureds, a separation of insured provision, a waiver of subrogation in favor of Landlord, its agents, employees and lender, an aggregate limit per location endorsement, a deletion of contractual liabilities exclusion for personal injury and advertising injury liability, and no modification that would make Tenant's policy excess or contributing with Landlord's liability insurance; (iv) special form property insurance covering all of Tenant's furniture, fixtures, equipment, both building standard and Tenant improvements and all alterations regardless of who paid for them, and at their full replacement value, showing Landlord as insured as its interest may appear, and containing a waiver of subrogation in favor of Landlord, its agents, employees and containing an ordinance or law coverage endorsement; and (v) business income and extra expense coverage by endorsement to Tenant's property insurance policy or by separate policy for no less than twelve (12) months of income and continuing expenses, with a waiver of subrogation in favor of Landlord, its agents, employees and lenders and an off premises endorsement.

(a) All policies will be issued by carriers having ratings of Best's Insurance Guide A and VIII, or better, and admitted to engage in the business of insurance in the state in which the Premises is located. All policies must be endorsed to be primary and noncontributing with the policies of Landlord being excess, secondary and non-contributing. Any policy or endorsement form must be approved in advance by Landlord. No policy will be canceled, non-renewed or materially modified without notice by insurance carrier to Landlord. Tenant must immediately notify Landlord in writing if any aggregate limit is reduced below seventy-five percent (75%) of the limit required by this Article because of losses paid. If the forms of policies, endorsements, certificates, or evidence of insurance required by this Article are superseded or discontinued, Landlord will have the right to require other equivalent or better forms.

(b) Evidence of the insurance coverage required to be maintained by Tenant under this Article, represented by certificates of insurance issued by the insurance carrier, must be furnished to Landlord prior to occupying the Premises prior to the expiration of current policies. Copies of all endorsements required by this Article 13 must accompany the certificates delivered to Landlord. The certificates will state the amounts of all deductibles and self-insured retentions and that Landlord will be notified in writing ten (10) days prior to cancellation, change that makes a previously furnished certificate inaccurate, or non-renewal of insurance. If requested in writing by Landlord for good cause, Tenant will provide to Landlord a certified copy of any or all insurance policies or endorsements required by this Article.

13.03 Hazard Insurance. Tenant agrees that it will not keep, use, sell or offer for sale in or upon the Premises any article which may be prohibited by the standard form of fire insurance policy. All premiums and other costs for insurance obtained by Landlord covering the land and improvements comprising the Shopping Center (inclusive of Common Areas) for loss or damage by fire or other risks included from time to time in what is commonly called extended coverage insurance (with vandalism and malicious mischief endorsements, boiler and machinery and all risks) and liability insurance (including without limitation any "umbrella policies"),

shall be deemed to be part of the Common Expenses, and Tenant shall reimburse Landlord for a portion of such premiums in accordance with Article 10.

13.04 Acts of Other. Tenant agrees Landlord shall not be responsible to Tenant or to those claiming by, through or under Tenant for any loss or damage resulting from the acts, omissions or negligence of the occupants of the adjoining premises or any part of the Shopping Center, or for any loss or damage resulting to Tenant or those claiming by, through or under Tenant, or to its or their property.

13.05 Notice. Tenant shall give immediate written notice to Landlord and Landlord's mortgagee of any damage caused to the Premises by fire or other casualty; or of any cancellation or reduction of Tenant's insurance coverage required pursuant to this Lease.

ARTICLE 14 - Assigning and Subleasing

14.01 Consent Required. Tenant may not assign this Lease or sublet the Premises, or any thereof, without in each instance obtaining the prior written consent of Landlord, which consent may be withheld in Landlord's reasonable discretion. In determining whether or not to grant its consent to Tenant's assignment or sublet request, Landlord may consider any reasonable factor. Including, but not limited to the following, it is reasonable for Landlord to withhold consent if proposed assignee/sublessee does not have any fitness center management experience, or if the proposed assignee/sublessee does not have adequate financial resources. The consent by Landlord to any assignment or subletting may not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease be assigned, or if the Premises or any part thereof be underlet or occupied by anybody other than Tenant, Landlord may collect rent from the assignee, under-tenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, under-letting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, under-tenant or occupant as Tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. Notwithstanding any assignment or sublease, Tenant shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants, and conditions of this Lease. Tenant shall pay to Landlord any reasonable costs and expenses (including legal fees) incurred by Landlord in connection with such assignment or subletting.

Notwithstanding this section 14.01, Tenant shall be entitled to sublet a portion of the Premises for the purposes of operating a smoothie bar, pro shop with nutritional supplements, tanning salon, exercise business, physical therapist, massage therapist, and a chiropractor's office. Tenant shall provide Landlord with a copy of the sublease(s) thirty (30) days prior to the commencement of the sublease(s). Tenant warrants that it will ensure all subtenants comply with the terms and conditions of this Lease. Tenant will remain primarily liable for all obligations under this Lease despite any subleasing.

14.02 Ownership Transfer. For the purposes of this Article, an assignment shall occur when and if fifty percent (50%) or more of the Tenant's business ownership or stock, if a corporation, shall be in any way transferred or alienated. In such event, this Article 14 shall apply.

14.03 Consent Conditioned. Tenant shall deliver all documents relating to any such assignment or subletting to Landlord upon Landlord's demand.

14.04 Mortgage or Financing. For the purposes of this Article, an assignment or sublease shall occur if Tenant mortgages its leasehold estate or deeds same in trust or otherwise uses this Lease or the leasehold estate hereby created as security for a loan or other financing arrangement. In such event, this Article 14 shall apply.

14.05 Transfer of Possessory Rights. For the purposes of this Article, an assignment or subletting shall occur if Tenant by any method transfers the possession of the Premises, including by way of example and not by way of limitation, management control, franchising, licensing.

ARTICLE 15 - Condemnation

15.01 Total Condemnation. If the whole of the Premises shall be taken by condemnation or eminent domain, then the term hereof shall cease as of the day of the vesting of title or as of the day possession shall be so taken, whichever is earlier.

15.02 Partial Condemnation. In the event only a portion of the Premises is taken, the Lease shall terminate as to the part taken, and the Rent and other charges herein reserved shall be adjusted for the remainder of the Premises so that the Tenant shall be required to pay for the balance of the term that portion of the rent

reserved which the square footage of the part of the Premises remaining after condemnation bears to the square footage of the Premises immediately prior to the date of condemnation. The rental and other charges shall be apportioned as aforesaid by agreement between the parties or by arbitration or legal proceedings, but pending such determination the Tenant shall pay at the time and in the manner above provided the rental herein reserved and all other charges herein required to be paid by the Tenant, without deduction, and upon such determination, the Tenant shall be entitled to credit for any excess rentals paid. If, however, by reason of the condemnation more than thirty percent (30%) of the Premises is taken then, in such event, the Lease shall terminate. In addition, if any portion of the Premises is taken the Landlord in its sole and absolute discretion shall be entitled to terminate this Lease. If Landlord does not elect to so terminate this Lease, it shall restore the Premises to an architectural unit as nearly like its condition prior to such taking as shall be practicable, but such work shall not exceed the scope of the work to be done by Landlord in originally constructing the Premises. Landlord shall notify Tenant of its election either to terminate or to rebuild not later than ninety (90) days after any such taking. Tenant shall do all work required of Tenant to occupy the Premises, including the restoration and replacement of all improvements, alterations, additions, fixtures, signs, trade equipment, furniture, furnishings and other installations necessary for Tenant's business.

15.03 Damages. All damages whatsoever awarded for such taking, whether for the whole or a part of the Premises, the leasehold, or the Shopping Center shall belong to and be the property of Landlord; provided, however, that Tenant shall be entitled to any amounts specifically awarded to it for the taking of its trade furniture or fixtures.

15.04 Proration of Rent. If this Lease is terminated pursuant to its terms, all Rent or other charges payable by Tenant shall be prorated to the date of termination.

ARTICLE 16 - Damage by Casualty

16.01 Restoration Option if More than 30% Damaged. If the Premises shall be damaged to the extent of thirty percent (30%) or more of the cost of replacement thereof, or damaged by any uninsured casualty, (i) Landlord shall have the option to rebuild or terminate this Lease to be exercised by notice to Tenant given not more than ninety (90) days from the date of such damage and (ii) if the restoration of the Premises is reasonably expected to take, or actually takes, longer than 180 days to complete, then Tenant may terminate this Lease by notice given to Landlord 30 days prior to such termination. If Landlord elects to rebuild, Landlord shall, at its expense, restore the Premises to a condition substantially similar or better than the condition of the Premises immediately prior to such casualty ("Landlord's Work"). The parties shall promptly commence and diligently proceed with their restoration obligations hereunder.

16.02 Restoration Option if Less than 30% Damaged. If the Premises shall be damaged to the extent of less than thirty percent (30%) of the cost of replacement by fire or other casualty covered by Landlord's policy of fire coverage insurance during the term of this Lease, except for the last one (1) year of this Lease, then the Landlord shall restore the Premises to a condition substantially similar or better than the condition of the Premises immediately prior to such casualty. If such an event occurs during the last one (1) year of this Lease, then Landlord shall have the option to rebuild or terminate this Lease to be exercised by notice to Tenant given not more than ninety (90) days from the date of such damage.

16.03 Total Destruction. In the event of total destruction of the Premises, Tenant's rent shall completely abate from the date of such destruction. If Landlord elects to rebuild as aforesaid, Tenant's rent shall completely abate from the date of such destruction until one-hundred twenty (120) days after the date when Landlord notifies Tenant that the shell of the Premises is ready for commencement of Tenant's work, or upon the day when Tenant opens for business, whichever event shall first occur. In the event of a partial destruction or damage whereby Tenant shall be deprived of occupancy and use for only a portion of the Premises, then Minimum Annual Rent shall be equitably apportioned according to the area of Premises which is unusable by Tenant, until such time as the Demised Premises are repaired or restored as provided herein.

16.04 Landlord's Option. In the event any portion of the Shopping Center is damaged or destroyed to such an extent that Landlord, in its sole discretion, elects to discontinue operation of the Shopping Center, Landlord may cancel this Lease by giving Tenant notice of its election and this Lease shall terminate and shall become null and void ninety (90) days after such notice.

16.05 Continuation of Business. Tenant agrees that during any period of reconstruction or repair of the Premises to continue the operation of its business in the Premises to the extent reasonably practicable. The Minimum Annual Rent shall be abated or reduced proportionately during any period in which, by reason of such damage or destruction, there is a substantial interference with the operation of Tenant's business. Nothing in this section shall be construed to abate or reduce Additional Rent.

ARTICLE 17 - Default and Remedies

17.01 **Events of Default.** The occurrence or existence of any one or more of the following events or circumstances shall constitute an event of default under this Lease by Tenant:

(a) Tenant shall fail to pay any installment of Minimum Annual Rent or Additional Rent payable to Landlord under the terms of this Lease, after five (5) days notice from Landlord of such failure.

(b) Tenant shall make or attempt to make any assignment, sublet or other transfer of the Lease mentioned in Article 14 without the prior written consent of Landlord.

(c) Tenant shall neglect or fail to perform or observe any of the covenants herein contained on Tenant's part to be performed or observed (other than those referred to in Articles 17.01(a) and 17.01(b) above) and Tenant shall fail to remedy such default within thirty (30) days after Landlord shall have given to Tenant written notice specifying such neglect or failure (or within such period, if any, as may be reasonably required to cure such default if it is of such nature that it cannot be cured within such thirty (30) day period, provided that Tenant commences to remedy such default within such thirty (30) day period and proceeds with reasonable diligence to cure such default).

(d) This Lease of the Premises or any part thereof shall be taken upon execution or by other process of law directed against Tenant, or shall be taken upon or subject to any attachment at the instance of any creditor of or claimant against Tenant, and such attachment shall not be discharged or disposed of within fifteen (15) days after the levy thereof.

(e) Tenant shall vacate or abandon the Premises (which shall be defined to include, but not be limited to, any absence by Tenant from the Premises for five (5) or more days while otherwise in default under this Lease) or lock them so as to prevent the entry therein of Landlord or its representatives as permitted by the terms of the Lease.

(f) Tenant shall remove or attempt to remove any goods or property from the Premises other than in the usual course of business.

(g) Tenant shall fail to move into or take possession of the Premises within fifteen (15) days after the Commencement Date, or, if later, within fifteen (15) days after the Premises are ready for occupancy by Tenant.

17.02 **Landlord's Remedies.** If Tenant shall default under this Lease as set forth in Article 17.01, Landlord shall have the following rights and remedies, in addition to all other remedies at law or equity, and none of the following, whether or not exercised by Landlord, shall preclude the exercise of any other right or remedy whether herein set forth or existing at law or equity, and all such remedies shall be cumulative:

(a) Landlord shall have the right to terminate this Lease by giving Tenant notice in writing at any time. No act by or on behalf of Landlord, such as serving a notice of payment or possession under C.R.S. 13-40-101 *et. seq.*, or entry of the Premises by Landlord to perform maintenance and repairs or efforts to relet the Premises, other than giving Tenant written notice of termination, shall terminate this Lease. If Landlord gives such notice, this Lease and the term hereof as well as the right, title and interest of Tenant under this Lease shall wholly cease and expire in the same manner and with the same force and effect (except as to Tenant's liability) on the date specified in such notice as if such date were the expiration date of the term of this Lease without the necessity of re-entry or any other act on Landlord's part. Upon any termination of this Lease, Tenant shall quit and surrender to Landlord the Premises as set forth in Article 11.05. If this Lease is terminated, Tenant shall be and remain liable to Landlord for damages as hereinafter provided and Landlord shall be entitled to recover forthwith from Tenant as damages an amount equal to the total of:

(i) the cost, including reasonable attorneys' fees, of recovering the Premises;

(ii) all Rent accrued and unpaid at the time of termination of the Lease, plus interest thereon at the rate provided in Article 4.05; and

(iii) any other money and damages owed by Tenant to Landlord.

In addition, Landlord shall also be entitled to recover from Tenant as damages the amounts determined, at Landlord's election, under (iv) or (v) below:

(iv) the amount of Rent that would have been payable hereunder if the Lease had not been terminated, less the net proceeds, if any, received by Landlord from any reletting of the Premises, after deducting all costs incurred by Landlord in finding a new tenant and reletting the space, including costs of remodeling, redecorating, providing new signage, and refinishing space for a new tenant, reasonable tenant inducements, reasonable brokerage commissions or agents' commissions in connection therewith, redecorating costs, attorneys' fees and other costs and expenses incident to the reletting of the Premises. Tenant shall pay such damages to Landlord on the days on which the Minimum Annual Rent would have been payable if the Lease had not terminated; or

(v) the present value (discounted at the rate of five percent (5%) per annum) of the balance of the Rent for the remainder of the stated term of this Lease after the termination date less the present value (discounted at the same rate) of the fair market rental value of the Premises for such period.

No provision of this Lease shall limit or prejudice the right of Landlord to prove and obtain as damages by reason of any termination of this Lease, an amount equal to the maximum allowed by any statute or rule or law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to, or less than the amounts referred to above.

(b) Landlord may, without demand or notice of any kind to Tenant, terminate Tenant's right of possession (but not the Lease) and re-enter and take possession of the Premises or any part thereof, and expel Tenant and those claiming through or under Tenant, and remove the effects of any and all such persons (forcibly, if necessary) and change the locks on the Premises without being deemed guilty of any manner of trespass, without prejudice to any remedies for arrears of Rent or preceding breach of covenants and without terminating this Lease or otherwise relieving Tenant of any obligation hereunder. Should Landlord elect to re-enter as provided in this Article 17.02(b), or should Landlord take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Landlord may, from time to time, without terminating this Lease, relet the Premises or any part thereof for such term or terms and at such rental or rentals, and upon such other conditions as Landlord may in its absolute discretion deem advisable, with the right to make alterations and repairs to the Premises. No such re-entry, repossession or reletting of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of termination is given to Tenant by Landlord. No such re-entry, repossession or reletting of the Premises shall relieve Tenant of its liability and obligation under this Lease, all of which shall survive such re-entry, repossession or reletting. Upon the occurrence of such re-entry or repossession, Landlord shall be entitled to the amount of the monthly Rent which would be payable hereunder if such re-entry or repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's expenses in connection with such reletting, including, but without limitation, all repossession costs, reasonable tenant inducements, reasonable brokerage commissions, legal expenses, attorneys' fees, expenses of employees, alteration costs and expenses of preparation for such reletting. Tenant shall pay such amount to Landlord on the days on which the Minimum Annual Rent would have been payable hereunder if possession had not been retaken. In no event shall Tenant be entitled to receive the excess, if any, of net Rent collected by Landlord as a result of such reletting over the sums payable by Tenant to Landlord hereunder. If this Lease is terminated by operation of law as a result of Landlord's actions under this Article 17.02(b), then Landlord shall be entitled to recover damages from Tenant as provided in Article 17.02(a). Landlord shall have the right to collect from Tenant amounts equal to such deficiencies and damages provided for above by suits or proceedings brought from time to time on one or more occasions without Landlord being obligated to wait until the expiration of the term of this Lease.

(c) If Tenant shall default in making any payment required to be made by Tenant (other than payments of Rent) or shall default in performing any other obligations of Tenant under this Lease, Landlord may, but shall not be obligated to, make such payment or, on behalf of Tenant, expend such sum as may be necessary to perform such obligation. All sums so expended by Landlord with interest thereon at the rate provided in Article 17.02(e) shall be repaid by Tenant to Landlord on demand. No such payment or expenditure by Landlord shall be deemed a waiver of Tenant's default nor shall it affect any other remedy of Landlord by reason of such default.

(d) If Tenant shall default in making payment of any Rent due under this Lease, Landlord may charge and Tenant shall pay, upon demand, interest thereon at the rate provided in Article 17.02(e), but the payment of such interest shall not excuse or cure any default by Tenant under this Lease. In addition to such interest, Tenant shall be responsible for the late charges set forth in Article 4.05. Such interest and late payment penalties are separate and cumulative and are in addition to and shall not diminish or represent a substitute for any or all of Landlord's rights or remedies under any other provisions of this Lease.

(e) Whenever Tenant shall be required to make payment to Landlord of any sum with interest, interest on such sum shall be computed from the date such sum is due until paid, at an interest rate of six percent (6%)

per annum in excess of the premise rate as quoted by US Bank, or its successors, to its best customers, or the highest rate permitted by law, whichever is greater.

17.03 Acceptance of Rent by Landlord. Landlord shall not be obligated to notify Tenant of the due date of Rent nor demand payment of Rent on its due date. The acceptance of any sums of money from Tenant after a default under this Lease shall be taken to be a payment on account by Tenant and shall not constitute a waiver by Landlord of any rights, nor shall it reinstate this Lease or cure a default on the part of Tenant. Neither acceptance of Rent by Landlord nor failure by Landlord to complain of any action, nonaction or default of Tenant shall constitute a waiver of any of Landlord's rights hereunder. Waiver by Landlord of any default of Tenant shall not constitute a waiver of any right for either a subsequent default of the same obligation or any other default. Receipt by Landlord of Tenant's keys to the Premises shall not constitute an acceptance of surrender of the Premises.

17.04 Property Left on Premises. Upon the expiration of this Lease or its termination for any cause, if Tenant shall leave any property of any kind or character on or in the Premises, such fact shall be conclusive evidence of intent by Tenant to abandon the property. Landlord or its agents shall have the right without notice to Tenant, to remove such property without liability to Tenant, and such property when removed may either be destroyed or trashed or Landlord may keep such property as partial compensation for the removal and disposition of said property.

17.05 Costs of Enforcement. In any action to enforce this Lease, collect damages as a result of a breach of its provisions, or to enforce or collect any indemnity provided for in this Lease, Landlord shall be entitled to collect all its costs in such action, including the costs of investigation and settlement, expert witnesses' fees and reasonable attorneys' fees, together with all additional costs incurred in enforcing or collecting any judgment rendered.

17.06 Gold's Gym International Option to Cure. In the event of Tenant's default, Gold's Gym International shall have the option to cure the default, within thirty (30) days of the Tenant's default. Gold's Gym International shall perform all terms, conditions, and fulfill all penalties under this Lease in order to cure the Tenant's default.

17.07 Landlord's Default. Should Landlord default in the performance of any of the covenants on the part of Landlord to be kept or performed and such default shall continue for thirty (30) days after written notice to Landlord from Tenant specifying such default, or should any warranty or representation made by Landlord be untrue and remain untrue after thirty (30) days written notice from Tenant specifying such untruth, then, and only in such event, then Tenant may pursue any remedies available to it, including, without limitation, termination of this Lease and curing such default and charging Landlord for the cost thereof. If the default or untruth is of such character so as to require more than thirty (30) days to remedy, the Landlord shall have a reasonable period in which to remedy the same, provided Landlord is proceeding diligently.

ARTICLE 18 - Landlord's Lien

Landlord shall have, at all times, and Tenant hereby grants to Landlord, a valid security interest, in all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant presently or later situated on the Premises, and all proceeds therefrom to secure payment of all Rent and other sums of money becoming due from Tenant under this Lease, and the performance of any and all of Tenant's covenants, herein, and of any damages or loss which Landlord may suffer by reason of breach by Tenant of any agreement or condition of this Lease, subject to any subsequent lien arising from Tenant's purchase or lease of such trade fixture or equipment. Such property shall not be removed from the Premises without the consent of Landlord until all arrearages in Rent as well as any and all other sums of money then due Landlord shall first have been paid and discharged and all the agreements and conditions of this Lease have been fully complied with and performed by Tenant. Upon any default by Tenant, Landlord may, in addition to any other remedies provided in this Lease, enter upon the Premises and take possession of any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant situated thereon, without liability for trespass or conversion, and sell them at public or private sale (with or without having such property at the sale) after giving Tenant reasonable notice of the time and place of any public sale or of the time after which any private sale is to be made, at which sale Landlord or its assigns may purchase such property unless otherwise prohibited by law. Without intending to exclude any other manner of giving Tenant reasonable notice, the requirement of reasonable notice shall be met if such notice is given in the manner described in this Lease at least five (5) days before the sale. The proceeds from any sale, less any and all expenses connected with the taking of possession, holding and selling of the property (including reasonable attorneys' fees and other expenses), shall be applied as a credit against the indebtedness secured by the security interest granted herein. Any surplus shall be paid to Tenant or as otherwise required by law and Tenant shall immediately pay any deficiency to Landlord. Upon the execution of this Lease, or upon later request by Landlord, Tenant agrees to execute and deliver to Landlord

documents in form sufficient to perfect the security interest of Landlord in such property and proceeds under the provisions of the Uniform Commercial Code of Colorado. This provision shall not apply to any equipment leased or purchased by Tenant and Landlord agrees that its lien shall be subordinate to that of any bank that is providing financing for Tenant's trade fixtures or furnishings and equipment provided such subordination is on terms acceptable to Landlord in its commercially reasonable determination.

ARTICLE 19 - Subordination, Estoppel Certificates and Landlord's Financing Requirements

19.01 **Subordination.** This Lease is subordinate, junior and inferior to all ground and underlying leases, all first mortgages and deeds of trust and, at the election of Landlord, to all junior mortgages and deeds of trust, which now or hereafter affect the Premises, and to any and all advancements to be made thereunder and to all renewals, modifications, consolidations, replacements and extensions thereof. Tenant, if requested by Landlord, shall execute a separate document expressly subordinating this Lease and all interest of Tenant to all ground and underlying leases and mortgages and deeds of trust which may now or hereafter affect the Premises and to any and all advances to be made thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding the foregoing, the subordination contained in this Section shall not be enforceable unless the holder of such encumbrance grants Tenant nondisturbance rights reasonably acceptable to Tenant.

19.02 **Estoppel Certificates.** Tenant shall, without charge, at any time and from time to time, within ten (10) days after request by Landlord, deliver a written instrument to Landlord or any other person, firm or corporation specified by Landlord, duly executed and acknowledged, certifying that this Lease is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modifications; whether or not there are then existing any setoffs or defenses in favor of Tenant against the enforcement of any of the terms, covenants and conditions of this Lease by Landlord, and if so, specifying the same; whether or not Landlord has observed and performed all of the terms, covenants and conditions on the part of Landlord to be observed and performed, and if not, specifying the same; and the dates to which Minimum Rent and Additional Rent have been paid.

19.03 **Intentionally deleted.**

19.04 **Attornment.** Upon request of Landlord, Tenant shall, in the event any proceedings are brought for the foreclosure of said Premises, or in the event of exercise of power of sale under any mortgage or deed of trust made by Landlord covering the Premises, or in the event of a sale by Landlord of its fee or leasehold interest in the Shopping Center or its interest in this Lease, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.

ARTICLE 20 - Intentionally Deleted.

ARTICLE 21 - General

21.01 **No Waiver.** No waiver of any covenant or condition of this Lease by Landlord shall be deemed to imply or constitute a further waiver of the same covenant or condition or of any other covenant or condition of this Lease. Whenever in this Lease Landlord reserves or is given the right and power to give or withhold its consent to any action on the part of Tenant, such right and power shall not be exhausted by the exercise on one or more occasions, but shall be continuing right and power for the entire term of this Lease.

21.02 **Quiet Enjoyment.** Tenant, on paying the Rent and performing the covenant and conditions hereof, shall and may peaceably and quietly have, hold and enjoy the Premises upon the terms of this Lease.

21.03 **Memorandum of Lease.** Landlord and Tenant agree that neither will record this Lease. Tenant will execute and record a memorandum of this Lease at any time Landlord so requests.

21.04 **Notices.** All notices under this Lease shall be given in writing and shall be deemed to be properly served when received by the party for whom intended, or if earlier, three days after depositing in the U.S. mail, postage prepaid, registered or certified mail with return receipt requested, addressed to the applicable party at the address set forth in Article 1.12. Either party may, by written notice to the other, change its address for notice purposes.

21.05 **Holding Over.** In the event Tenant remains in possession of the Premises after the expiration of this Lease, it shall be deemed to be occupying the Premises as a tenant from month to month, subject to all of the terms of this Lease insofar as the same are applicable to a month to month tenancy, except that the Minimum Rent shall be one hundred and twenty-five percent (125%) of that provided in Article 4 of this Lease.

21.06 **Relationship of Parties.** Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Rent, nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

21.07 **Covenants Run with Land.** The covenants and agreements hereof shall be binding upon the parties and their heirs, executors, administrators, successors and assigns of the parties hereto.

21.08 **Severability.** Each covenant, agreement and provision of this Lease shall be construed to be a separate covenant, agreement and provision. If any covenant, agreement or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such covenant, agreement to the provision or any person or circumstances other than those as to which such covenant, agreement or provision is invalid or unenforceable, shall not be affected thereby and each covenant, agreement and provision of this Lease shall be valid and enforceable to the extent permitted by law.

21.09 **Captions.** The heading to articles of this Lease have been inserted for convenience only and shall not have the effect of modifying, amending or changing the express terms and provisions of this Lease.

21.10 **Incorporation of Tenant.** In the event Tenant hereunder shall be a corporation, the parties executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly qualified corporation and all steps have been taken prior to the date hereof to qualify Tenant to do business in the state where the Shopping Center is situated; all franchise and corporate taxes have been paid to date; all future forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due; all corporate actions necessary in connection with the execution of this Lease and the performance of Tenant's obligations hereunder have been or will be taken; the person or persons signing this Lease on behalf of Tenant is or are authorized to do so; and upon execution by such person or persons, this Lease shall be binding upon Tenant.

21.11 **Entire Agreement.** It is understood that there are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understanding, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease.

21.12 **Other Tenants.** Landlord reserves the absolute right to effect such other tenancies in the Shopping Center as Landlord, in the exercise of its sole business judgment, determines to best promote the interest of the Shopping Center. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or number of tenants shall occupy any space in the Shopping Center during the term of this Lease. This Lease is and shall be considered to be the only agreement between the parties hereto and their representatives and agents. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties and all reliance with respect to representations is solely upon the representations and agreements contained in this document.

21.13 **Forum.** The laws of the State of Colorado shall govern the validity, performance and enforcement of this Lease. Any dispute concerning the provisions of the Lease shall be tried before a court in El Paso County, Colorado. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall be construed not for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

21.14 **Excuse for Performance.** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of terrorism, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty and other causes beyond the reasonable control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage, except the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease.

21.15 **Labor Problems.** Tenant agrees that it will not at any time, either directly or indirectly, use any contractors, labor or materials in the Premises if the use of such contractor, labor or materials creates or threatens any work stoppage by any other contractors or labor engaged by Tenant or Landlord or others in the construction, maintenance or operation of the Shopping Center or any part thereof.

21.16 Offer. Execution of this Lease by Tenant constitutes an offer which shall not be deemed accepted by Landlord until Landlord has executed this Lease and delivered a duplicate original thereof to Tenant.

21.17 Landlord's Consent. Except as expressly set forth above, when any Lease provisions calls for the Landlord's consent, such consent shall not be unreasonably withheld.

ARTICLE 22 - Intentionally Deleted.

ARTICLE 23 - Landlord's Liability.

Notwithstanding anything to the contrary in this Lease, it is specifically understood and agreed, such agreement being a primary consideration for the execution of this Lease by Landlord, that there shall be absolutely no personal liability on the part of the Landlord, its successors, assigns, legally appointed representatives or any mortgagee in possession (for the purpose of this Section collectively referred to as "Landlord") with respect to any of the terms, covenants and conditions of this Lease and that Tenant shall look solely to the interest of Landlord in the Shopping Center for the satisfaction of each and every remedy of Tenant in the event of any breach by the Landlord of any of the terms, covenants and conditions of this Lease to be performed by Landlord, such exculpation of liability to be absolute and without any exception whatsoever.

ARTICLE 24 - Right of First Offer.

So long as no event of default exists, if, at any time after the date of this Lease, the Landlord desires to sell the Shopping Center, or any part including the Premises, the Landlord before marketing the Shopping Center or Premises shall send the Tenant a written notice of such. The Tenant shall have the right, within thirty (30) days of the receipt of the written notice to submit a contract to purchase the Shopping Center or Premises. In the event the Landlord elects to accept the offer embodied in the contract, the Landlord will do so by executing one copy of the contract and returning it to the Tenant within the twenty (20) days.

Notwithstanding the foregoing, this Right of First Offer shall not apply to: (a) transfers to any entity controlling, controlled by or under common control with Vintage or Landlord, or to any entity in which Vintage or Landlord owns a controlling interest; (b) a transfer to an investor who purchases an equity interest in the Shopping Center for the purpose of providing equity financing to prepay or pay when due construction or permanent financing for the Shopping Center, (c) a transfer from the existing shareholders or members to members of the families of any of the existing shareholders or members, or to trusts whose beneficiaries are members of the families of any of the existing shareholders or members or to partnerships whose partners are comprised solely of existing shareholders or members, members of the families of existing shareholders or members, or trusts whose beneficiaries are members of the families of any existing shareholders or members, and (d) a transfer upon death of any individual shareholder or member.

This Right of First Offer shall be subordinate and junior to the legal operation and affect of any mortgage or deed of trust which is now or may hereafter be a lien on the Center or any part thereof. This Right of First Offer shall not be binding on any mortgagee or beneficiary of a deed of trust that takes title by foreclosure or deed in lieu of foreclosure.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the day and year first above written.

LANDLORD:

JVRC ASSOCIATES, a Colorado Limited Liability Partnership

Attest:

By: VINTAGE DEVELOPMENT COMPANY, a Colorado Corporation, general partner

By _____

By Sheila Venezia
Sheila Venezia, President

TENANT:

GOLD'S GYM ROCKIES, LLC

Attest:

By: _____

By Arion Watkins
Arion Watkins
CFO

STATE OF COLORADO

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this 8th day of February, 2012
by Sheila Venezia as President of Vintage Development Company, General
Partner of JVRC Associates LLP, Landlord.



Witness my hand and official seal.

My commission expires 2/9/2014

Gail Deal
Notary Public

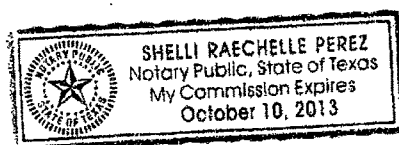
COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this 8th day of February, 2012 by
Arion Watkins as CFO of Gold's Gym Rockies, LLC
_____, Tenant.

Witness my hand and official seal.

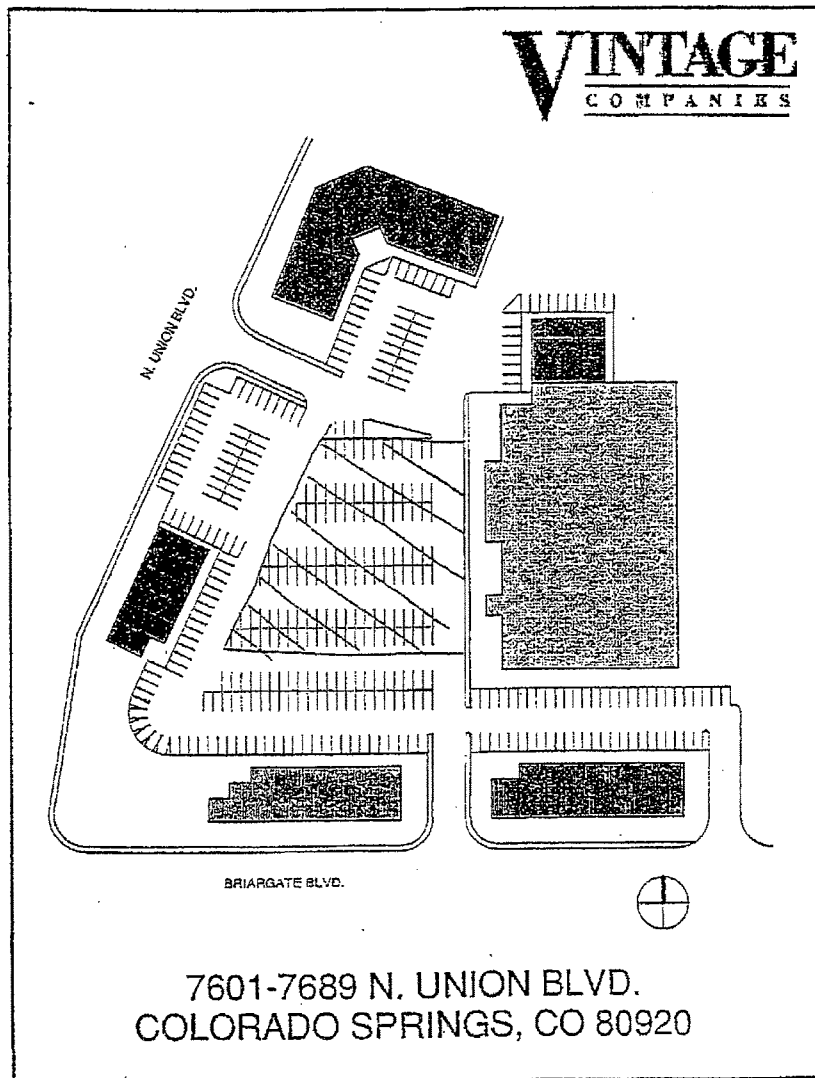
My commission expires October 10, 2013

(Seal)



Shelli Raechele Perez
Notary Public

EXHIBIT A
General site plan



Guaranty Agreement

THIS GUARANTY AGREEMENT is given as of this 24 day of February, 2012 by GOLD'S GYM INTERNATIONAL, INC. ("Guarantor") to and for the benefit of JVRC ASSOCIATES, LLP ("Landlord").

In order to induce Landlord to enter into (and as a condition of Landlord entering into) the lease (the "Lease") dated as of the 14 day of December, 2011 and made between Landlord and Gold's Gym Rockies, LLC ("Tenant"), and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Guarantor hereby covenants and makes the following agreement (the "Guaranty") with and in favor of Landlord:

1. Guarantor agrees with Landlord that at all times during the term of this Guaranty it will (a) make the due and punctual payment of all Rent payable under the Lease whether to Landlord or otherwise and whether the Lease has been disaffirmed or disclaimed, but only to the extent not paid by Tenant; and (b) effect prompt and complete performance of all Tenant's obligations under the Lease.
2. This Guaranty is absolute and unconditional and the obligations of Guarantor will not be released, discharged, mitigated, impaired or affected by (a) any extension of time, indulgences or modifications which Landlord extends to or makes with Tenant in respect of the performance of any of the obligations of Tenant under the Lease; (b) any waiver by or failure of Landlord to enforce any of the terms, covenants and conditions contained in the Lease; (c) any bankruptcy or debtor-creditor proceedings, nor any assignment of the Lease by Tenant or by any trustee, receiver or liquidator; (d) any consent which Landlord gives to any assignment or subletting; (e) any amendment to the Lease or any waiver by Tenant of any of its rights under the Lease; or (f) the expiration of the Term.
3. Guarantor waives notices of the acceptance of this Agreement and all notice of non-performance, non-payment or non-observance on the part of Tenant of its obligations under the Lease. Any notice which Landlord desires to give to Guarantor will be sufficiently given if delivered personally to Guarantor or if mailed by prepaid registered or certified post addressed to Guarantor at the Premises, and every notice is deemed to have been given upon the day it was delivered personally, or if mailed, 72 hours after it was mailed. Guarantor may by written notice designate a substitute address for that set forth above and thereafter notices will be directed to the substitute address. If two or more Persons are named as Guarantor, any notice given hereunder or under the Lease will be sufficiently given if delivered or mailed in the foregoing manner to any one of such Persons.
4. As a further inducement to Landlord to make the Lease and in consideration thereof, Landlord and the undersigned agree that in any action or proceeding brought by either Landlord or the undersigned against the other, on any matters whatsoever arising out of, under, or by virtue of the terms of this Lease or of this Guaranty, that Landlord and the undersigned will and do hereby (a) waive trial by jury, and (b) submit to the jurisdiction of the Circuit Court and agree that such court will be the venue and waive any claim of "forum non conveniens" or the like with respect to such court and venue in and for the county in which the Premises covered by the within the Lease are located. In the event Landlord incurs any expenses in the enforcement of this Guaranty whether legal action be instituted or not, the undersigned agrees to be liable for same (including reasonable attorneys' fees) and to pay same promptly on demand by Landlord.
5. In the event of a default under the Lease or under this Agreement, Guarantor waives any right to require Landlord to (a) proceed against Tenant or pursue any rights or remedies against Tenant with respect to the Lease, (b) proceed against or exhaust any security of Tenant held by Landlord, or (c) pursue any other remedy whatsoever in Landlord's power. Landlord has the right to enforce this Guaranty regardless of the acceptance of additional security from Tenant and regardless of any release or discharge of Tenant by Landlord or by others or by operation of any law.
6. The liability of Guarantor under this Guaranty is not and is not deemed to have been waived, released, discharged, impaired or affected by reason of the release or discharge of Tenant in any receivership, bankruptcy, winding-up or other debtor-creditor proceedings or the rejection, disaffirmance or disclaimer of the Lease in any proceeding and will continue with respect to the periods prior thereto and thereafter, for and with respect to the Term as if the Lease had not been disaffirmed or disclaimed. The Guarantor's liability will not be affected by any repossession of the Premises by Landlord, provided, however, that the net payments received by Landlord after deducting all costs and expenses of repossessing and reletting the Premises will be credited from time to time by Landlord against the Guarantor's indebtedness and Guarantor will pay any balance owing to Landlord from time to time immediately upon demand.
7. No action or proceedings brought or instituted under this Guaranty and no recovery in pursuance thereof will be a bar or defense to any further action or proceeding which may be brought under this Guaranty by reason of any further default hereunder or in the performance and observance of the terms, covenants and conditions contained in the Lease.
8. No modification of this Guaranty will be effective unless the same is in writing and is executed by both Guarantor and Landlord.
9. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) execute this Guaranty as Guarantor, the liability of each individual, corporation, partnership or other business association hereunder is joint and several.
10. All of the terms, covenants and conditions of this Guaranty extend to and are binding upon Guarantor, his or its heirs, executors, administrators, successors and assigns, as the case may be, and inure to the benefit of and may be enforced by Landlord, its successors and assigns, as the case may be, and any Mortgagee of all or any part of the Shopping Center referred to in the Lease.
12. The expressions "Landlord", "Tenant", "Rent", and "Premises" and other terms or expressions where used in this Guaranty, respectively, have the same meaning as in the Lease.
13. This Agreement will be construed in accordance with the laws of the state in which the Shopping Center is located.

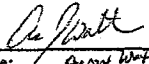
Wherever in this Guaranty reference is made to either Landlord or Tenant, the reference is deemed to apply also to the heirs, executors, administrators, successors and permitted assigns of Tenant, named in the Lease, and the successors and assigns of

Landlord. Any assignment by Landlord of any of its interests in the Lease operates automatically as an assignment to such assignee of the benefit of this Guaranty.

Provided there are no existing defaults under the Lease, this Guaranty shall expire ten (10) years after February 1, 2008, or the date Tenant opens for business in the Premises, whichever is sooner.

IN WITNESS WHEREOF, Guarantor has signed this Guaranty Agreement.

Gold's Gym International, Inc.

By: 
Name: Aaron Workless
Title: CEO

TENANT ESTOPPEL CERTIFICATE

The undersigned ("Tenant") certifies to U.S. Bank National Association, as Successor Trustee for the Holders of Morgan Stanley Capital I Inc., Commercial Mortgage Pass-Through Certificates, Series 2007-IQ16 ("Lender"), that the following are true as of this date:

1. The Shopping Center Lease (the "Lease") dated February 10, 2012, between JVRC Associates LLP, a Colorado limited liability partnership, as Landlord, and the undersigned, as Tenant, is in full force and effect. The Lease is the only agreement between the Landlord and the undersigned with respect to the premises described below. The Lease term ends on August 1, 2022, except for optional renewal periods, if any, set forth in the Lease.

2. The Lease has not been modified.

3. The premises subject to the Lease are located at 7655 North Union Blvd., Colorado Springs, Colorado.

4. The current monthly rent amount is \$42,571.18, plus \$15,485.71/month per square foot for prorated common area charges and real estate taxes. All rent due has been paid, but no rent has been prepaid except for the current month. Except as set forth in the Lease, Tenant is not entitled to any concession or compensation for leasing the premises.

5. A security deposit of \$ None has been given to the Landlord under the Lease.

6. No part of the leased premises has been vacated or subleased, and Tenant's rights under the Lease have not been assigned to anyone. Tenant is in occupancy of the leased premises under the Lease and is not in default of any of its obligations thereunder. All improvements to the leased premises have been completed lien free and Tenant has accepted the premises "as is." There are no outstanding tenant improvement allowances. Tenant does not know of any defect in the leased premises.

7. To Tenant's knowledge, the Landlord's obligations under the Lease have been performed in all respects and Tenant currently has no claims, setoffs, or defenses against the Landlord arising from the Lease, or in any way chargeable against or deductible from the rents due under the Lease.

8. Tenant acknowledges that Lender will rely on this certificate in making a loan or extending credit to the Landlord. Upon Lender's notice to Tenant of the Landlord's default, Tenant will pay all rent to Lender. If Lender becomes the owner of the premises, Tenant will recognize Lender as the landlord under the Lease.

9. There are no actions, voluntary or involuntary, pending against Tenant under the bankruptcy laws of the United States or of any State.

[End of Document – Signature Page Follows]

This Certificate is dated and effective as of February 10, 2012.

Address:

Gold's Gym Rockies, LLC
125 E. John Carpenter Freeway, Suite 1300
Irving, Texas 75069
Tel. No. _____
Fax No. _____
Attn: Real Estate Department

GOLD'S GYM ROCKIES, LLC

By: *Baron Watkins*
Name: Baron Watkins
Title: CFO

FIRST AMENDMENT TO LEASE

16. THIS FIRST AMENDMENT TO LEASE (this "Amendment") is made as of September 16, 2016 by and between JVR ASSOCIATES LLP, a Colorado limited partnership ("Landlord"), and GOLD'S GYM ROCKIES, LLC, a Delaware limited liability company ("Tenant").

RECITALS:

A. Landlord and Tenant entered into that Shopping Center Lease dated February 10, 2012 (the "Lease"), relating to approximately 55,142 rentable square feet (the "Premises") located at 7655 North Union Blvd., Colorado Springs, Colorado (the "Property").

B. Tenant desires to renew and extend the Lease, and Landlord has agreed to such renewal and extension, upon the terms and conditions hereinafter described.

C. All capitalized terms used in this Amendment shall have the meanings given to them in the Lease, as amended hereby, unless otherwise defined herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereby amend the Lease on the terms hereof effective as of the date hereof, notwithstanding anything to the contrary contained therein:

1. The term of the Lease is hereby extended for a period of five (5) years beginning October 1, 2017 and terminating on September 30, 2022, unless sooner terminated pursuant to the provisions of the Lease (the "Extended Term"). Tenant shall have two (2) additional renewal options of five (5) years each at \$8.00/psf/year and \$9.00/psf/year, respectively. Tenant must provide Landlord written notice of its intent to exercise the renewal option(s) at least one year prior to the expiration of the preceding term. For clarification, the foregoing two (2) renewal options shall be in lieu of the renewal options provided in Section 3.05 of the Lease, which shall be of no further force or effect.

2. Beginning October 1, 2016 and continuing throughout the remainder of the current Lease Term, and for the duration of the Extended Term of the Lease, the minimum annual rental for the Premises shall \$7.00/psf/year, or \$385,994.00/year.

3. Section 1.12 of the Lease is hereby amended to designate the following address for notices to Tenant:

Gold's Gym Rockies, LLC
4001 Maple Avenue, Suite 600
Dallas, Texas 75219
Attention: Real Estate and Legal Department

With a copy to:

E. Smith Realty Partners
16000 N. Dallas Parkway, Suite 550
Dallas, Texas 75248
Attention: Lease Administration (Gold's Gym)

4. Each party represents and warrants to the other that such party has not dealt with any real estate agent or broker in connection with this Amendment, and that this agreement was not brought about or procured through the use or instrumentality of any agent or broker and that all negotiations with respect to the terms of this agreement were conducted between Landlord and Tenant. Each party covenants and agrees to indemnify and hold the other party harmless from and against any and all claims for commissions and other compensation made by any agent or agents and/or broker or brokers based on any dealing between the indemnifying party and any

agent or agents and/or broker or brokers, together with all costs and expenses incurred by the indemnnified in resisting such claims (including, without limitation, reasonable attorney's fees).

5. Except as modified by this Amendment, the Lease shall remain unchanged and shall continue in full force and effect, and all the terms, covenants, conditions and agreements thereof are hereby in all respects ratified, confirmed and approved.

6. This Amendment contains the entire understanding between the parties with respect to the matters contained herein. No representations, warranties, covenants or agreements have been made concerning or affecting the subject matter of this agreement, except as are contained herein and in the Lease.

7. This Amendment may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change or modification or discharge is sought.

8. Each party hereby represents and warrants to the other party that this Amendment (and each term and provision hereof) has been duly and appropriately authorized by such party through proper written corporate action and approval, and no additional consent, agreement or approval is required with respect hereto.

IN WITNESS WHEREOF, Landlord and Tenant have executed and delivered this Amendment as of the date and year first above written.

LANDLORD:

JVRC ASSOCIATES LLP
By: Vintage Development Company, a Colorado
Corporation, general partner
By: Sheila Venezia
Name: Sheila Venezia
Title: President

TENANT:

GOLD'S GYM ROCKIES, LLC

By: [Signature]
Name: Brian Bello
Title: CEO

FIRST AMENDMENT TO LEASE

16 THIS FIRST AMENDMENT TO LEASE (this "Amendment") is made as of September 16, 2016 by and between JVRC ASSOCIATES LLP, a Colorado limited partnership ("Landlord"), and GOLD'S GYM ROCKIES, LLC, a Delaware limited liability company ("Tenant").

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A. Landlord and Tenant entered into that Shopping Center Lease dated February 10, 2012 (the "Lease"), relating to approximately 55,142 rentable square feet (the "Premises") located at 7655 North Union Blvd., Colorado Springs, Colorado (the "Property").

B. Tenant desires to renew and extend the Lease, and Landlord has agreed to such renewal and extension, upon the terms and conditions hereinafter described.

C. All capitalized terms used in this Amendment shall have the meanings given to them in the Lease, as amended hereby, unless otherwise defined herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereby amend the Lease on the terms hereof effective as of the date hereof, notwithstanding anything to the contrary contained therein:

1. The term of the Lease is hereby extended for a period of five (5) years beginning October 1, 2017 and terminating on September 30, 2022, unless sooner terminated pursuant to the provisions of the Lease (the "Extended Term"). Tenant shall have two (2) additional renewal options of five (5) years each at \$8.00/psf/year and \$9.00/psf/year, respectively. Tenant must provide Landlord written notice of its intent to exercise the renewal option(s) at least one year prior to the expiration of the preceding term. For clarification, the foregoing two (2) renewal options shall be in lieu of the renewal options provided in Section 3.05 of the Lease, which shall be of no further force or effect.

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3. Section 1.12 of the Lease is hereby amended to designate the following address for notices to Tenant:

Gold's Gym Rockies, LLC
4001 Maple Avenue, Suite 600
Dallas, Texas 75219
Attention: Real Estate and Legal Department

With a copy to:

E. Smith Realty Partners
16000 N. Dallas Parkway, Suite 550
Dallas, Texas 75248
Attention: Lease Administration (Gold's Gym)

4. Each party represents and warrants to the other that such party has not dealt with any real estate agent or broker in connection with this Amendment, and that this agreement was not brought about or procured through the use or instrumentality of any agent or broker and that all negotiations with respect to the terms of this agreement were conducted between Landlord and Tenant. Each party covenants and agrees to indemnify and hold the other party harmless from and against any and all claims for commissions and other compensation made by any agent or agents and/or broker or brokers based on any dealing between the indemnifying party and any

agent or agents and/or broker or brokers, together with all costs and expenses incurred by the indemnified in resisting such claims (including, without limitation, reasonable attorney's fees).

5. Except as modified by this Amendment, the Lease shall remain unchanged and shall continue in full force and effect, and all the terms, covenants, conditions and agreements thereof are hereby in all respects ratified, confirmed and approved.

6. This Amendment contains the entire understanding between the parties with respect to the matters contained herein. No representations, warranties, covenants or agreements have been made concerning or affecting the subject matter of this agreement, except as are contained herein and in the Lease.

7. This Amendment may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change or modification or discharge is sought.

8. Each party hereby represents and warrants to the other party that this Amendment (and each term and provision hereof) has been duly and appropriately authorized by such party through proper written corporate action and approval, and no additional consent, agreement or approval is required with respect hereto.

IN WITNESS WHEREOF, Landlord and Tenant have executed and delivered this Amendment as of the date and year first above written.

LANDLORD:

IVRC ASSOCIATES LLP
By: Vintage Development Company, a Colorado
Corporation, general partner
By: Sheila Venezia
Name: Sheila Venezia
Title: President

TENANT:

GOLD'S GYM ROCKIES, LLC

By: [Signature]
Name: BRANDON BROWN
Title: CEO