

**PROPERTY LEASE AGREEMENT
WITH
GEORGIA PLACE, LLC**

This Lease Agreement is made and entered into this 27th day of September, 2011 by and between **Georgia Place, LLC**, a New Mexico limited liability company, located at 216 Washington Street, Santa Fe, New Mexico, 87501, hereinafter referred to as the "Lessor" and **Santa Fe County**, hereinafter referred to as the "Lessee."

In consideration of the covenants and agreements of the Lessee as set forth in this Lease, the Lessor does hereby lease, let and demise unto the Lessee, under the conditions specified below, office space located at 128 Grant Ave., Suites 216, 101, 104 and 106, Santa Fe New Mexico 87501 ("the Premises").

1. Conditions of Lease.

- a. The lease pertains to office space described as Suites 216, 101, 104 and 106, 128 Grant Ave., Santa Fe, NM 87501.
- b. Lessee shall also have use of common areas, including all restrooms, hallways, and stairs.
- c. Lessor shall be responsible for the payment of all electric, gas, refuse, water and sewer charges attributable to the Premises during the Term. All security and telephone, internet, and other communications utilities shall be the responsibility of the Lessee.
- d. Lessor shall keep and maintain the Premises in good order, condition and repair, including every part and appurtenance thereof, including without limitation, the exterior and interior of all doors, door checks, windows, glass, walls, ceilings, floors, building front, fixtures, plumbing and sewage facilities within or connected with the Premises including the free flow up to the main sewer line, heating and cooling systems, and electrical systems. Lessor will make best effort towards (i) sweeping and snow removal on the sidewalk immediately in front of the Premises and (ii) sweeping and snow removal immediately in front and rear doors of the Premises.

2. Compensation.

- a. The Lessee agrees to pay the Lessor rent in the amount of \$420.00 per month for each of the following Suites: 216, 104 and 106; and agrees to pay Lessor \$630.00 per month for lease of Suite 101, due and payable on or before the first day of each month at the offices of Georgia Place, LLC, Suite 112 within the complex. Any payment not received by the fifth (5th) day after the due date shall include a ten-percent (10%) penalty.
- b. The damage/security Cleaning Deposit of four-hundred (\$400.00) dollars which was paid prior to or at the time of occupancy under the previous Lease Agreement as Amended (#2010-0427-AS/TRV) and shall continue to be held in trust, without interest, for the period of tenancy under this Lease

Agreement as stated in Section 4 (Term of Lease). The deposit shall be refunded upon the Lessee vacating the Premises, returning all keys and leaving the Premises in the same condition, except for normal wear and tear, as when received.

3. **Insurance.** Lessee shall secure liability insurance for its activities on the Premises.
4. **Term of Lease.** The Lessor agrees to lease the Premises to the Lessee, under the conditions specified in Section 1 of this Lease Agreement, for a period of two (2) years, commencing on July 1, 2011 and terminating on June 30, 2013. Lessee shall have an option to renew the lease for an additional term(s) subject to negotiation between Lessor and Lessee. Such negotiations shall commence no later than sixty (60) days prior to the termination of the current lease.
5. **Termination.** Either party may terminate the Lease based upon any material breach of this Lease by the other party. The non-breaching party shall give the breaching party written notice of termination specifying the grounds for the termination. The termination shall be effective thirty (30) days from the breaching party's receipt of the notice of termination, during which time the breaching party shall have the right to cure the breach. Material breach includes, but is not limited to, Lessee falling more than forty five (45) days behind in its monthly rent(s), starting the first day of the month when monthly rent is due. Upon termination for the aforementioned material breach, Lessee shall not be relieved of its obligation to pay past rent(s) due Lessor.
6. **Appropriations and Authorizations.** This Agreement is contingent upon sufficient appropriations and authorizations being made by the Santa Fe County Board of County Commissioners and if state funds are involved, the Legislature of the State of New Mexico. If sufficient appropriations and authorizations are not made in this or future fiscal years, this Agreement shall terminate within sixty (60) days written notice by the Lessee to the Lessor. The Lessee is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by the Lessee. The Lessee's decision as to whether sufficient appropriations and authorizations have been made for the fulfillment of this Lease Agreement shall be final and not subject to challenge by the Lessor. Notwithstanding the terms of this Lease, should Lessee fall more than forty five (45) days behind in its monthly rent(s) starting the first day of the month when monthly rent is due, Lessor has the right to immediately terminate this lease. Upon termination, Lessee shall not be relieved of its obligation to pay past rent(s) due Lessor.
7. **Inspection.** The Lessor or its officers, agents and representatives shall have the right to enter any and all parts of the Premises at all reasonable hours (or, in an emergency, at any hour) to inspect the Premises or clean or make repairs or alterations to the Premises as the Lessor may deem necessary.

8. **Notices.** Each provision and requirement of this Lease Agreement or of any applicable laws, ordinances, or regulations, for the giving of notice shall be deemed to be complied with when and if the following steps were taken:
- a. All rent and other payments required to be made by the Lessee to the Lessor hereunder shall be payable to the Lessor at the following address or at such other address as the Lessor may specify from time to time by written notice delivered in accordance herewith:
Georgia Place, LLC
128 Grant Avenue, Suite 112
Santa Fe, NM 87501
 - b. All notices to the Lessee provided for in this Lease Agreement shall be sent to the Lessee at the following address:
Santa Fe County
Assessor's Office
Attn: Domingo Martinez, Santa Fe County Assessor
P.O. Box 276
Santa Fe, NM 87504
 - c. Any notice required to be delivered hereunder shall be deemed to be delivered when deposited in the United States Mail postage prepaid, certified or registered mail (with or without return receipt requested) addressed to the parties hereto at the addresses set forth above or at such other address as either of said parties have theretofore specified by written notice delivered in accordance herewith.
9. **Force Majeure.** Whenever a period of time is herein prescribed for action to be taken by Lessor, Lessor shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, war, restrictive governmental laws or regulations or any other causes of any kind whatsoever which are beyond the control of the Lessor.
10. **Severability.** If any clause or provision of this Lease Agreement is illegal, invalid or unenforceable under present or future laws effective during the Lease Term, then and in that event, the remainder of this Lease Agreement shall not be affected thereby, and that in lieu of each clause or provision of this Lease Agreement that is illegal, invalid or unenforceable, there shall be added as a part of this Lease Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.
11. **Amendments: Binding Effect.** This Lease Agreement may not be altered, changed or amended, except by instrument in writing signed by both parties hereto. No provision of the Lease Agreement shall be deemed to have been waived by the Lessor unless such waiver be in writing signed by the Lessor and addressed to the Lessee, nor shall any custom or practice which might evolve between the parties in the administration of the terms hereof be construed to waive or lessen the right of the Lessor to insist upon the performance by the Lessee in strict accordance with the

terms hereof. The terms and conditions contained in this Lease Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided.

12. **Choice of Law.** This Property Lease Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. The parties agree that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be federal and state district courts of New Mexico, located in Santa Fe, County.
13. **Assigns.** All covenants, promises, conditions, representations and agreements herein contained shall be binding upon, apply and inure to the parties hereto and their respective heirs, executors, administrators, successors and assigns.
14. **Scope of Agreement: Merger.** This Lease Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such agreements, covenants and understandings have been merged into this written Agreement. No prior agreement, covenant or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Property Lease Agreement.
15. **Alterations, Additions, and Improvements.**
 - a. Lessee shall not make any alterations, additions, or improvements to the Premises without the written consent of Lessor, which consent shall not be unreasonably withheld, and then only upon the terms and conditions as may be reasonably imposed by Lessor along with any grant of approval.
 - b. Lessee agrees that all alterations, additions, and improvements desired by Lessee shall be made at the expense of Lessee. Lessee shall not permit any mechanic's or material men's liens to be filed against or attach to the Premises as a result of any work done by Tenant in the Premises. If any lien is filed against or attaches to the Premises, Lessee shall immediately notify Lessor in writing and Lessee shall cause such lien to be removed within sixty (60) days of notice thereof, or if Lessee, in good faith, desires to contest such lien, Lessee shall be privileged to do so, and shall, in the event of judgment or foreclosure on such lien, cause the same to be discharged and removed prior to the execution of such judgment.
 - c. Lessee agrees that any and all alterations, additions and improvements except for signs, shelving and moveable furniture, fixtures, shall become the property of the Lessor upon termination of this lease, unless the lease is renewed for additional term(s).
16. **Signs.** Subject to applicable governmental ordinances, rules and regulations, Lessee may, at Lessee's expense erect and maintain a sign or signs to carry out the purpose

for which Lessee is leasing the Premises, provided that the location, type and design of all exterior signs shall be pre-approved in writing by Lessor. Within ten (10) days of the expiration of this Lease, or any renewal or extension thereof, Lessee shall remove such sign or signs and shall repair any damages to the Premises caused thereby at Lessee's expense.

17. Condemnation.

- a. If during the Term of Lease all or substantially all of the Premises are permanently taken by condemnation or eminent domain or purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which they are then being used, either party may terminate this Lease effective as of the day of physical possession by the condemning authority and Base Rent shall be abated for the unexpired portion of this Lease.
- b. If only a portion of the Premises are taken and the Lease is not terminated pursuant to subparagraph "a" above, Lessor, in its sole and exclusive discretion and at its sole risk and expense, may restore and reconstruct the Premises to make it reasonable tenable and the Base Rent shall be adjusted so that Lessee shall, for the remainder of the Term, pay that portion of the Base Rent that the Premises remaining after the taking bears to the whole of the Premises before the taking.
- c. Lessee shall not have any right to any award or payment, or portion thereof, made to Landlord in connection with any condemnation, taking or purchase in lieu thereof.

- 18. Destruction of or Damage to Premises.** Lessee agrees that if at any time during the Term, or any extension or renewal thereof, the Premises shall be totally or partially destroyed due to any cause whatsoever, upon Lessee's written notice to Lessor of such destruction, Lessor shall have the option to rebuild or repair the Premises to such state of condition and repair as existed immediately prior to such destruction or damage, provided that rebuilding or repair shall be completed within one-hundred eighty (180) days of Lessee's obtaining appropriate permits to commence repairs or construction. In such case, rental herein shall be abated or adjusted until the Premises have been rebuilt or repaired. If, within thirty (30) days following receipt of Lessee's written notice of destruction or damage, Lessor in writing, and thereupon this Lease shall terminate and become null and void. Lessor shall have no duty or obligation to rebuild or repair any furniture, fixtures, equipment or other personal property belonging to Lessee or used in Lessee's business. Notwithstanding the foregoing, if Lessor is unable, or will be unable to complete repairs or construction as required herein, Lessee may terminate this Lease with written notice to Lessor and all further obligations shall cease as of the date of Landlord's receipt of such notice.

- 19. Quite Enjoyment.** Lessor has full right to execute and to perform this Lease and to grant the estate demised and the Lessee, upon payment of the required rents and performing the terms, conditions, covenants and agreements contained in this Lease,

shall peaceably and quietly have, hold, and enjoy the Premises during the full term provided that Landlord shall not be responsible for the acts or omissions of any other tenant or third party which may interfere with Lessee's use and enjoyment of the Premises. Lessee shall observe the rights of Lessor's other tenants to the quiet enjoyment of their leaseholds and shall not permit acts or omissions of any person or persons under Lessee's control which may interfere with such other Lessee's quiet enjoyment of their leaseholds.

20. **Taxes.** Lessor shall pay real property taxes, to include any special and general assessments, on the tax parcel containing the Premises and against any alterations, additions and improvements thereon.

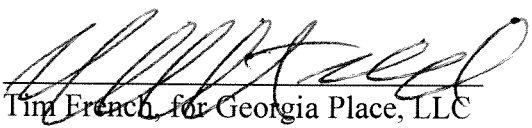
IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date written above.

SANTA FE COUNTY:



Virginia Vigil, Chair
Santa Fe County Board of County Commissioners

GEORGIA PLACE, LLC



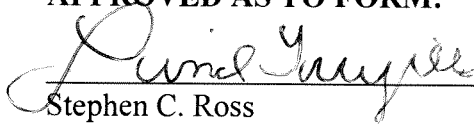
Tim French, for Georgia Place, LLC
NM Real Estate License #38112

ATTEST:



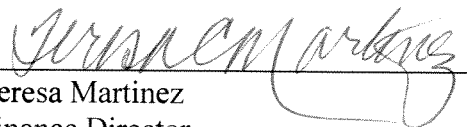
Valerie Espinoza
Santa Fe County Clerk 9/27/11

APPROVED AS TO FORM:



Stephen C. Ross
Santa Fe County Attorney

FINANCE DEPARTMENT:



Teresa Martinez
Finance Director