

# RESTAURANT LEASE AGREEMENT

## WILLOW CREEK SHOPPING CENTER

Suite 150

**THIS RESTAURANT LEASE AGREEMENT** (this "**Lease**") is made and entered into as of the 15th day of January, 2026 (the "**Effective Date**"), by and between:

**LANDLORD:** WILLOW CREEK RETAIL PARTNERS, LP, a Delaware limited partnership, having its principal place of business at 1700 Lincoln Street, Suite 3200, Denver, Colorado 80203 ("**Landlord**");

and

**TENANT:** VERDE CANTINA, LLC, a Colorado limited liability company, having its principal place of business at 2500 East Colfax Avenue, Denver, Colorado 80206 ("**Tenant**").

## RECITALS

**WHEREAS**, Landlord is the owner of that certain shopping center commonly known as Willow Creek Shopping Center, located at 8500 South Willow Creek Boulevard, Littleton, Colorado 80128, consisting of approximately 200,000 square feet of gross leasable area, as more particularly described on **Exhibit A** attached hereto (the "**Shopping Center**"); and

**WHEREAS**, the Shopping Center is an open-air community shopping center anchored by Anchor Grocery Inc., with a mix of retail, restaurant, and service tenants; and

**WHEREAS**, Tenant desires to lease from Landlord certain premises within the Shopping Center for the operation of a full-service Mexican restaurant with bar and outdoor patio; and

**WHEREAS**, Landlord desires to lease such premises to Tenant upon the terms and conditions set forth herein;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## ARTICLE 1

### BASIC LEASE PROVISIONS

**1.1 Premises.** The "**Premises**" shall mean approximately Four Thousand Five Hundred (4,500) square feet of gross leasable area located in the Shopping Center, known as Suite 150, as more particularly shown on the site plan attached hereto as **Exhibit B**. The Premises shall include:

- (a) Interior dining area (approximately 2,800 SF, 120 seats);
- (b) Full commercial kitchen (approximately 1,200 SF);
- (c) Bar area with 15 bar seats;
- (d) Restrooms, storage, and back-of-house areas (approximately 500 SF);

(e) Outdoor patio area of approximately 800 SF (40 seats) as shown on Exhibit B (the "**Patio**").

**1.2 Trade Name.** Tenant shall operate the Premises under the trade name "**Verde Cantina**" or such other name as Landlord may approve in writing (the "**Trade Name**"). Tenant shall not change the Trade Name without Landlord's prior written consent.

**1.3 Permitted Use.** The operation of a full-service Mexican restaurant and cantina, including the sale of food, alcoholic beverages (beer, wine, and spirits), and non-alcoholic beverages for on-premises and off-premises consumption (takeout and delivery), together with catering services, and for no other purpose without Landlord's prior written consent (the "**Permitted Use**").

**1.4 Lease Term.** The initial term of this Lease (the "**Initial Term**") shall be for a period of ten (10) years, commencing on April 1, 2026 (the "**Commencement Date**") and expiring on March 31, 2036, unless sooner terminated or extended in accordance with the provisions hereof.

**1.5 Base Rent.** Tenant shall pay to Landlord as base rent ("**Base Rent**") the following amounts during the Initial Term:

Lease Year	Annual Base Rent	Monthly Base Rent	Per SF/Year
1	\$135,000.00	\$11,250.00	\$30.00
2	\$139,050.00	\$11,587.50	\$30.90
3	\$143,221.50	\$11,935.13	\$31.83
4	\$147,518.15	\$12,293.18	\$32.78
5	\$151,943.69	\$12,661.97	\$33.76
6	\$156,502.00	\$13,041.83	\$34.78
7	\$161,197.06	\$13,433.09	\$35.82
8	\$166,032.97	\$13,836.08	\$36.90
9	\$171,013.96	\$14,251.16	\$38.00
10	\$176,144.38	\$14,678.70	\$39.14

*Note: Base Rent escalates at three percent (3%) annually.*

**1.6 Percentage Rent.** In addition to Base Rent, Tenant shall pay to Landlord as percentage rent ("**Percentage Rent**") an amount equal to six percent (6%) of Tenant's Gross Sales (as defined in Article 5) in excess of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) per Lease Year (the "**Natural Breakpoint**").

**1.7 Tenant's Pro Rata Share.** Tenant's Pro Rata Share of Common Area Maintenance Charges, Real Estate Taxes, and Insurance shall be two and twenty-five hundredths percent (2.25%), calculated by dividing the gross leasable area of the Premises (4,500 SF) by the total gross leasable area of the Shopping Center (200,000 SF).

**1.8 Security Deposit.** Upon execution of this Lease, Tenant shall deposit with Landlord the sum of Thirty-Three Thousand Seven Hundred Fifty Dollars (\$33,750.00), representing three (3) months' Base Rent at the initial rate, as a security deposit (the "**Security Deposit**").

**1.9 Parking.** Tenant and its customers shall have the non-exclusive right to use the Shopping Center's parking areas in common with other tenants and their customers. The Shopping Center provides parking at a ratio of approximately 5.0 spaces per 1,000 SF of GLA.

## ARTICLE 2

### PREMISES AND COMMON AREAS

**2.1 Lease of Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises for the Term, together with the right to use the Common Areas in common with other tenants and their customers, employees, and invitees.

**2.2 Common Areas.** "Common Areas" shall mean all areas within the Shopping Center designated for common use, including: (a) parking areas, driveways, and access roads; (b) sidewalks and pedestrian walkways; (c) landscaped areas; (d) lighting; (e) signage and directory areas; (f) service corridors; and (g) trash enclosures and compactor areas.

**2.3 Outdoor Patio.** Landlord grants Tenant the exclusive right to use the Patio area shown on Exhibit B for outdoor dining. Tenant shall: (a) maintain the Patio in a clean and attractive condition; (b) provide and maintain appropriate patio furniture; (c) comply with all fire codes regarding occupancy; (d) not obstruct pedestrian traffic on adjacent sidewalks; and (e) remove all furniture and close the Patio during inclement weather or as required by Landlord for Shopping Center events. Rent for the Patio is included in Base Rent.

**2.4 Delivery Access.** Tenant shall have access to the rear service corridor for deliveries. All deliveries shall be made through the rear entrance between the hours of 6:00 a.m. and 10:00 a.m. or as otherwise scheduled with the Shopping Center manager. No deliveries shall be made through the front entrance during business hours.

**2.5 Condition of Premises.** Landlord shall deliver the Premises to Tenant as a "vanilla shell" with the improvements described in **Exhibit C**. Tenant shall be responsible for all additional improvements required for restaurant operations, including kitchen equipment, fixtures, and finishes, subject to Landlord's approval.

## ARTICLE 3

### TERM

**3.1 Initial Term.** The Initial Term shall commence on the Commencement Date and shall expire on March 31, 2036, unless sooner terminated in accordance with the terms hereof.

**3.2 Fixturing Period.** Tenant shall have access to the Premises for a period of ninety (90) days prior to the Commencement Date (the "**Fixturing Period**") to complete Tenant's improvements and install equipment. During the Fixturing Period, Tenant shall not be obligated to pay Base Rent but shall pay for utilities and maintain insurance as required by this Lease.

**3.3 Renewal Options.** Provided Tenant is not in default under this Lease at the time of exercise and has not been in material default more than twice during the preceding term, Tenant shall have two (2) consecutive options to renew this Lease (each, a "**Renewal Option**") for additional periods of five (5) years each (each, a "**Renewal Term**"). Base Rent

during each Renewal Term shall be the greater of: (a) the Base Rent in effect during the last year of the immediately preceding term, increased by three percent (3%) annually; or (b) ninety-five percent (95%) of the then-prevailing fair market rental rate for comparable restaurant space in the south Denver metro area.

**3.4 Exercise of Renewal Option.** Each Renewal Option must be exercised by Tenant's delivery of written notice to Landlord no earlier than fifteen (15) months and no later than nine (9) months prior to the expiration of the then-current term.

**3.5 Continuous Operation.** Tenant shall open for business within thirty (30) days after the Commencement Date and shall thereafter continuously operate the Premises for the Permitted Use during the entire Term, except for periods of remodeling (not exceeding thirty days), casualty, or force majeure. Failure to continuously operate for more than sixty (60) consecutive days (other than for permitted reasons) shall be an Event of Default.

## ARTICLE 4

### RENT

**4.1 Payment of Base Rent.** Tenant shall pay Base Rent in equal monthly installments, in advance, on or before the first (1st) day of each calendar month during the Term. All payments shall be made without notice, demand, setoff, or deduction to Landlord's address or by electronic funds transfer to an account designated by Landlord.

**4.2 Rent Abatement.** Provided Tenant is not in default, Tenant shall be entitled to an abatement of Base Rent for months two (2) and three (3) of the Initial Term (the "**Abatement Period**"). The total value of such abatement is Twenty-Two Thousand Five Hundred Dollars (\$22,500.00). If Tenant defaults and fails to cure within applicable cure periods, Tenant shall immediately repay the abated Rent.

**4.3 Additional Rent.** All sums payable by Tenant other than Base Rent, including Percentage Rent, CAM Charges, Taxes, Insurance, late charges, and other costs, shall be "**Additional Rent**." Base Rent and Additional Rent are collectively referred to as "**Rent**."

**4.4 Late Payment.** If any Rent payment is not received by Landlord within five (5) days after its due date, Tenant shall pay a late charge of five percent (5%) of the overdue amount. Additionally, all unpaid amounts shall bear interest at the rate of one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is less.

## ARTICLE 5

### PERCENTAGE RENT AND GROSS SALES

**5.1 Definition of Gross Sales.** "**Gross Sales**" means the aggregate amount of all sales of food, beverages (alcoholic and non-alcoholic), merchandise, and services made from, in, or arising out of the Premises, whether for cash, credit, or otherwise, including:

- (a) All food and beverage sales for on-premises consumption (dine-in);
- (b) All takeout and to-go orders;

- (c) All delivery orders (whether through Tenant's delivery service or third-party platforms);
- (d) All catering sales originating from orders placed at the Premises;
- (e) Gift card sales (when redeemed);
- (f) Private event and party fees.

**5.2 Exclusions from Gross Sales.** Gross Sales shall not include: (a) sales taxes collected and remitted to taxing authorities; (b) tips and gratuities paid to employees; (c) returns and allowances; (d) employee meals (up to \$500/month); (e) promotional discounts and coupons (the discount amount only); and (f) third-party delivery platform fees (to the extent deducted from payments to Tenant).

**5.3 Third-Party Delivery Platforms.** For sales made through third-party delivery platforms (e.g., DoorDash, Uber Eats, Grubhub), Gross Sales shall be calculated based on the menu price of items sold, less any platform fees actually deducted from Tenant's payment. Tenant shall maintain records sufficient to verify platform fees.

**5.4 Monthly Reporting and Payment.** Within fifteen (15) days after the end of each calendar month, Tenant shall submit to Landlord a written statement certified by Tenant showing Gross Sales for such month. If Gross Sales for the cumulative Lease Year to date exceed the prorated Natural Breakpoint, Tenant shall pay the Percentage Rent due with such statement.

**5.5 Annual Reconciliation.** Within sixty (60) days after each Lease Year, Tenant shall submit an annual statement of Gross Sales, certified by an officer of Tenant. If such statement shows additional Percentage Rent due, Tenant shall pay such amount with the statement. If such statement shows overpayment, Landlord shall credit the overpayment against the next Rent due.

**5.6 Books and Records.** Tenant shall keep complete and accurate books and records of all Gross Sales in accordance with generally accepted accounting principles. Tenant shall retain such records for at least three (3) years after each Lease Year. Landlord shall have the right, upon reasonable notice, to audit Tenant's books and records. If an audit reveals an underreporting of Gross Sales of three percent (3%) or more, Tenant shall pay the cost of the audit and any additional Percentage Rent due, plus interest.

**5.7 Point of Sale System.** Tenant shall maintain an electronic point-of-sale (POS) system capable of tracking all sales by category (food, alcoholic beverages, non-alcoholic beverages, merchandise). Tenant shall provide Landlord with reasonable access to POS reports upon request.

## ARTICLE 6

### CAM, TAXES, AND INSURANCE

**6.1 CAM Charges.** Tenant shall pay Tenant's Pro Rata Share of Common Area Maintenance Charges ("CAM Charges"), which shall include: (a) maintenance and repair of parking areas, driveways, sidewalks, and landscaping; (b) lighting; (c) security; (d) trash removal and

recycling; (e) snow and ice removal; (f) management fees (not exceeding fifteen percent of CAM Charges); and (g) reasonable administrative costs.

**6.2 Restaurant-Specific CAM.** Tenant acknowledges that restaurant operations may generate additional CAM costs. In addition to Tenant's Pro Rata Share, Tenant shall pay: (a) the actual cost of grease trap maintenance and pumping for the Shopping Center's shared grease interceptor (allocated among restaurant tenants based on seating capacity); (b) any pest control costs directly attributable to Tenant's operations; and (c) any additional trash removal costs resulting from Tenant's operations beyond normal Shopping Center service.

**6.3 Real Estate Taxes.** Tenant shall pay Tenant's Pro Rata Share of Real Estate Taxes levied against the Shopping Center.

**6.4 Insurance.** Tenant shall pay Tenant's Pro Rata Share of Landlord's cost of property insurance for the Shopping Center.

**6.5 Estimated Payments.** Landlord shall provide Tenant with an estimate of annual CAM Charges, Taxes, and Insurance. Tenant shall pay one-twelfth (1/12) of such estimate monthly with Base Rent. Within ninety (90) days after each calendar year, Landlord shall provide a reconciliation. Overpayments shall be credited to Tenant; underpayments shall be due within thirty (30) days.

**6.6 CAM Cap.** Controllable CAM Charges (excluding Taxes, Insurance, utilities, snow removal, and shared grease trap costs) shall not increase by more than five percent (5%) per year on a cumulative, compounding basis over the Base Year (2026).

## ARTICLE 7

### USE AND OPERATIONS

**7.1 Permitted Use.** Tenant shall use the Premises solely for the Permitted Use and shall operate the restaurant in a first-class manner consistent with the quality standards of the Shopping Center.

**7.2 Hours of Operation.** Tenant shall operate the restaurant during the following minimum hours: Monday through Thursday, 11:00 a.m. to 10:00 p.m.; Friday and Saturday, 11:00 a.m. to 11:00 p.m.; Sunday, 10:00 a.m. (for brunch) to 9:00 p.m. Tenant may operate additional hours with Landlord's approval. Patio service shall cease by 10:00 p.m. Sunday through Thursday and 11:00 p.m. Friday and Saturday.

**7.3 Exclusive Use.** Provided Tenant is open and operating and not in default, Landlord shall not lease any other space in the Shopping Center to a tenant whose primary use is a Mexican restaurant or whose menu consists of more than twenty-five percent (25%) Mexican cuisine items. This exclusive does not apply to: (a) the grocery store anchor; (b) restaurants serving Mexican items as a minor part of a broader menu (e.g., Tex-Mex items at a casual dining chain); or (c) food trucks or temporary vendors during Shopping Center events.

**7.4 Liquor License.** Tenant shall obtain and maintain, at Tenant's sole cost, all licenses and permits required for the sale of alcoholic beverages at the Premises, including a Colorado Retail Liquor Store License or Hotel and Restaurant License as appropriate. Tenant represents that: (a) Tenant has investigated the availability of such licenses; (b) no principal

of Tenant has had a liquor license revoked; and (c) Tenant shall operate in compliance with all Colorado Liquor Code requirements. Loss of the liquor license for more than sixty (60) days due to Tenant's acts or omissions shall be an Event of Default. Landlord agrees to provide reasonable cooperation in connection with Tenant's license application.

**7.5 Food Safety.** Tenant shall comply with all federal, state, and local health and food safety regulations, including the Colorado Retail Food Establishment Rules. Tenant shall maintain a food service license from the Tri-County Health Department. Tenant shall promptly provide Landlord with copies of all health inspection reports. Any health inspection score below 80 (or any "unsatisfactory" rating) shall be remedied within thirty (30) days, and a second such score within twelve months shall be an Event of Default.

**7.6 Quality Standards.** Tenant shall: (a) maintain food quality consistent with full-service casual dining restaurants; (b) maintain clean and well-maintained premises and equipment; (c) ensure staff maintains appropriate appearance and conduct; (d) respond promptly to customer complaints; and (e) maintain an average rating of 3.5 stars or above on major review platforms (Google, Yelp).

## ARTICLE 8

### KITCHEN AND EXHAUST SYSTEMS

**8.1 Kitchen Exhaust System.** Tenant shall install and maintain, at Tenant's sole cost, a commercial kitchen exhaust system meeting all applicable codes, including: (a) a Type I hood over all cooking equipment that produces grease-laden vapors; (b) a fire suppression system (ANSUL or equivalent); (c) make-up air system; and (d) rooftop exhaust fan. The exhaust system shall be designed to: (i) adequately remove smoke, grease, and odors; (ii) minimize impact on adjacent tenants and Common Areas; and (iii) comply with all NFPA standards.

**8.2 Odor Control.** Tenant shall install and maintain odor control equipment (including grease filters and, if necessary, electrostatic precipitators or UV oxidation systems) sufficient to prevent cooking odors from escaping into the Common Areas, adjacent tenant spaces, or the outdoor environment. If Landlord receives complaints regarding odors and determines that additional odor control measures are necessary, Tenant shall install such additional equipment within thirty (30) days.

**8.3 Hood Cleaning.** Tenant shall have all exhaust hoods, ducts, and fans professionally cleaned at least quarterly by a certified hood cleaning contractor. Tenant shall provide Landlord with copies of cleaning certificates within ten (10) days of each cleaning. Failure to maintain proper hood cleaning shall be an Event of Default due to fire hazard.

**8.4 Grease Trap/Interceptor.** Tenant shall connect to the Shopping Center's shared grease interceptor and shall comply with all regulations regarding the discharge of fats, oils, and grease (FOG). Tenant shall: (a) install and maintain a point-of-use grease trap at each appropriate fixture; (b) implement best management practices to minimize FOG discharge; (c) not discharge any prohibited substances into the sanitary sewer; and (d) pay Tenant's allocated share of shared grease interceptor maintenance and pumping costs.

**8.5 Kitchen Equipment.** All kitchen equipment shall be commercial-grade, NSF-certified where applicable, and maintained in good working order. Tenant shall provide Landlord with

an equipment list and shall not install any equipment that exceeds the electrical or structural capacity of the Premises without Landlord's prior written approval and any necessary upgrades at Tenant's expense.

## ARTICLE 9

### MAINTENANCE AND REPAIRS

**9.1 Landlord's Obligations.** Landlord shall maintain: (a) the structural components of the Building (roof, exterior walls, foundation); (b) the Common Areas; (c) the shared grease interceptor; (d) the Building HVAC system serving the Premises (except kitchen exhaust); and (e) utility connections to the Premises.

**9.2 Tenant's Obligations.** Tenant shall maintain: (a) all interior surfaces, including walls, ceilings, and floors; (b) all kitchen equipment, exhaust systems, and plumbing fixtures; (c) the grease trap and connections to the shared interceptor; (d) the Patio, including furniture and fixtures; (e) all lighting within the Premises; (f) the fire suppression system within the kitchen; (g) all signage; and (h) the storefront, including glass, doors, and entry areas.

**9.3 HVAC.** Landlord shall provide HVAC service to the Premises. Tenant acknowledges that restaurant operations generate significant heat load and shall: (a) maintain supplemental cooling as needed for the kitchen area; (b) not prop doors open in a manner that affects HVAC efficiency; and (c) pay for any HVAC modifications required due to Tenant's operations.

**9.4 Pest Control.** Tenant shall maintain a professional pest control service contract with monthly service. Tenant shall provide Landlord with copies of pest control reports. If pests from Tenant's Premises affect other tenants or Common Areas, Tenant shall be responsible for all additional pest control costs.

**9.5 Remodel Requirement.** Tenant shall complete a refresh remodel of the Premises, including updating finishes, furniture, and fixtures, at Tenant's expense, at least once every seven (7) years. Plans for such remodel shall be subject to Landlord's approval.

## ARTICLE 10

### WASTE MANAGEMENT

**10.1 Trash Removal.** Tenant shall dispose of all trash in the designated trash enclosure. Tenant shall not allow trash to accumulate in or around the Premises. All trash shall be placed in appropriate containers with lids secured.

**10.2 Cardboard and Recycling.** Tenant shall break down all cardboard boxes before disposal. Tenant shall participate in the Shopping Center's recycling program for cardboard, glass, and aluminum.

**10.3 Grease Disposal.** Used cooking oil and grease shall be stored in appropriate containers and disposed of through a licensed grease recycling service. Tenant shall not dispose of grease in trash containers, down drains, or in Common Areas. Tenant shall contract with a grease recycling vendor for regular pickup.

**10.4 Food Waste.** Tenant shall properly manage food waste to prevent odors and pest attraction. Tenant shall not place food waste in outdoor containers more than twenty-four (24) hours before scheduled pickup.

## ARTICLE 11

### ALTERATIONS

**11.1 Landlord's Consent.** Tenant shall not make alterations to the Premises without Landlord's prior written consent, which shall not be unreasonably withheld for non-structural alterations. Landlord's consent shall not be required for: (a) painting and cosmetic changes; (b) replacement of kitchen equipment that does not require structural, plumbing, or electrical modifications; or (c) changes costing less than Fifteen Thousand Dollars (\$15,000) that do not affect Building systems.

**11.2 Requirements.** All alterations shall: (a) be performed by licensed contractors; (b) comply with all codes, including health department requirements; (c) not be performed during business hours without Landlord's consent; (d) not affect the structural integrity of the Building; and (e) be completed in accordance with plans approved by Landlord. Tenant shall obtain all necessary permits.

**11.3 Removal at Termination.** Upon termination, Tenant shall remove all trade fixtures, equipment, and personal property. Tenant shall, at Landlord's option, remove any alterations designated for removal by Landlord at the time of approval. Tenant shall repair all damage caused by removal and leave the Premises in broom-clean condition. Kitchen exhaust systems and grease trap connections shall be capped and left in place unless Landlord requests removal.

## ARTICLE 12

### INSURANCE

**12.1 Tenant's Insurance.** Tenant shall maintain: (a) commercial general liability insurance with limits of at least Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) in the aggregate, including products-completed operations, liquor liability, and contractual liability coverages; (b) liquor liability insurance with limits of at least Two Million Dollars (\$2,000,000) per occurrence; (c) property insurance covering Tenant's equipment, improvements, and inventory at replacement cost; (d) workers' compensation as required by law; (e) business interruption insurance covering at least twelve (12) months of Rent and operating expenses; and (f) umbrella/excess liability insurance with limits of at least Two Million Dollars (\$2,000,000).

**12.2 Policy Requirements.** All policies shall name Landlord, its property manager, and any mortgagee as additional insureds. All policies shall be written by insurers rated A- or better by A.M. Best. Tenant shall provide certificates of insurance prior to occupancy and upon each renewal. All policies shall provide at least thirty (30) days' notice before cancellation.

**12.3 Waiver of Subrogation.** Landlord and Tenant each waive any right of recovery against the other for losses covered by property insurance required under this Lease.

## ARTICLE 13

### INDEMNIFICATION

**13.1 Tenant's Indemnification.** Tenant shall indemnify, defend, and hold harmless Landlord from all claims, damages, costs, and liabilities arising from: (a) Tenant's use or occupancy of the Premises; (b) the sale or service of food and beverages, including food-borne illness claims; (c) the sale or service of alcoholic beverages, including claims arising from intoxication, dram shop liability, or service to minors; (d) any default by Tenant; (e) Tenant's negligence or willful misconduct; (f) Tenant's failure to comply with health codes or food safety regulations; (g) any environmental contamination caused by Tenant's operations; and (h) injuries occurring on the Patio.

**13.2 Landlord's Indemnification.** Landlord shall indemnify, defend, and hold harmless Tenant from all claims arising from: (a) any default by Landlord; (b) Landlord's negligence or willful misconduct; and (c) conditions in the Common Areas caused by Landlord's failure to maintain.

## ARTICLE 14

### ASSIGNMENT AND SUBLETTING

**14.1 Consent Required.** Tenant shall not assign this Lease or sublease the Premises without Landlord's prior written consent. Landlord may consider: (a) the proposed transferee's restaurant operating experience; (b) financial strength; (c) proposed concept and menu; (d) the transferee's ability to obtain a liquor license; and (e) compatibility with the Shopping Center's tenant mix.

**14.2 Recapture Right.** If Tenant proposes to assign or sublease, Landlord shall have the option, exercisable within thirty (30) days after receipt of Tenant's request, to recapture the Premises and terminate this Lease.

**14.3 Excess Rent.** If Tenant assigns or subleases with Landlord's consent for rent exceeding the Rent due under this Lease, fifty percent (50%) of such excess (after deducting Tenant's reasonable transaction costs) shall be paid to Landlord.

**14.4 Franchise Assignment.** If Tenant is a franchisee, any assignment of the franchise agreement or change in the franchisor shall require Landlord's consent.

## ARTICLE 15

### SIGNAGE

**15.1 Storefront Signage.** Tenant shall install, at Tenant's expense, illuminated storefront signage displaying the Trade Name in accordance with the Shopping Center's signage criteria attached as **Exhibit D**. All signage shall be subject to Landlord's prior written approval and shall comply with all applicable codes and ordinances.

**15.2 Pylon Sign.** Tenant shall be entitled to one panel on the Shopping Center's pylon sign. Tenant shall pay for fabrication and installation. The panel design shall be subject to Landlord's approval.

**15.3 Menu Boards.** Any exterior menu boards, A-frame signs, or promotional displays require Landlord's prior written approval and shall not obstruct pedestrian traffic. Temporary promotional signage shall not be displayed for more than fourteen (14) days without Landlord's consent.

**15.4 Window Signage.** Window signage shall not exceed twenty-five percent (25%) of the total window area. Neon signs are prohibited. All window signage requires Landlord approval.

## ARTICLE 16

### DEFAULT AND REMEDIES

**16.1 Events of Default.** Events of Default include: (a) failure to pay Rent within five (5) days after notice; (b) failure to cure other defaults within thirty (30) days after notice (or commence cure within thirty days and diligently prosecute to completion for defaults not curable in thirty days); (c) bankruptcy or insolvency; (d) abandonment or failure to continuously operate for more than sixty (60) days; (e) loss of liquor license for more than sixty (60) days due to Tenant's fault; (f) repeated health code violations (two or more "unsatisfactory" ratings in twelve months); (g) repeated violations of hours of operation requirements; (h) fire hazard due to failure to maintain hood cleaning; or (i) any Event of Default specified elsewhere in this Lease.

**16.2 Landlord's Remedies.** Upon default, Landlord may: (a) terminate this Lease and recover all damages, including the present value of future Rent; (b) continue this Lease and collect Rent as it becomes due; (c) re-enter and relet the Premises; or (d) pursue other remedies at law or equity. Landlord shall use commercially reasonable efforts to mitigate damages.

**16.3 Landlord's Default.** Landlord shall be in default if Landlord fails to perform any material obligation within thirty (30) days after written notice from Tenant (or such longer period as reasonably necessary to cure, provided Landlord commences cure within thirty days and diligently prosecutes).

## ARTICLE 17

### CASUALTY AND CONDEMNATION

**17.1 Casualty.** If the Premises are damaged by fire or other casualty, Landlord shall repair the Premises unless: (a) damage cannot be repaired within one hundred eighty (180) days; (b) damage occurs in the last two (2) years of the Term; or (c) insurance proceeds are insufficient. In such cases, either party may terminate. Rent shall abate proportionately during repair. Landlord's repair obligation does not include Tenant's equipment, improvements, or inventory.

**17.2 Condemnation.** If all or a substantial portion of the Premises or the Shopping Center parking (reducing parking below code requirements) is taken by eminent domain, this Lease terminates. Tenant may claim compensation for moving expenses, equipment, and unamortized improvements.

## ARTICLE 18

### MISCELLANEOUS PROVISIONS

**18.1 Entire Agreement.** This Lease constitutes the entire agreement between the parties. No modification is effective unless in writing signed by both parties.

**18.2 Governing Law.** This Lease is governed by Colorado law. Disputes shall be resolved in the courts of Arapahoe County, Colorado.

**18.3 Notices.** All notices shall be in writing, delivered personally, by overnight courier, or certified mail to the addresses in Article 1.

**18.4 Quiet Enjoyment.** So long as Tenant is not in default, Tenant shall peacefully enjoy the Premises.

**18.5 Force Majeure.** Neither party is liable for delays (except payment obligations) caused by circumstances beyond reasonable control, including pandemics, government orders, or supply chain disruptions.

**18.6 Co-Tenancy.** If the Anchor Grocery Inc. store ceases operations for more than one hundred eighty (180) consecutive days for any reason other than remodeling, Tenant may, at Tenant's option: (a) pay fifty percent (50%) of Base Rent until the anchor reopens or a replacement anchor opens; or (b) terminate this Lease upon ninety (90) days' notice. This co-tenancy right terminates if Tenant is in default.

**18.7 Radius Restriction.** During the Term, Tenant shall not open or operate another Mexican restaurant within a three (3) mile radius of the Shopping Center without Landlord's prior written consent. If Tenant violates this provision, Gross Sales from the competing location shall be included in Tenant's Gross Sales for purposes of calculating Percentage Rent.

**18.8 Holding Over.** Holdover tenancy shall be month-to-month at one hundred fifty percent (150%) of the last month's Base Rent for the first sixty (60) days, and two hundred percent (200%) thereafter, plus all other charges under this Lease.

**18.9 Subordination.** This Lease is subordinate to any mortgage, provided the mortgagee delivers a subordination, non-disturbance, and attornment agreement recognizing Tenant's rights.

**18.10 Estoppel Certificates.** Within fifteen (15) days after request, each party shall execute an estoppel certificate confirming Lease status and any modifications or defaults.

**18.11 Brokers.** Landlord and Tenant each represent that they dealt with no broker other than CBRE (representing Landlord). Landlord shall pay CBRE's commission per separate agreement.

**18.12 Counterparts.** This Lease may be executed in counterparts. Electronic signatures are binding.

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

**LANDLORD:**

WILLOW CREEK RETAIL PARTNERS, LP

a Delaware limited partnership

By: Willow Creek GP, LLC, its General Partner

By: \_\_\_\_\_

Name: Richard D. Thompson

Title: Managing Director

Date: \_\_\_\_\_

**TENANT:**

VERDE CANTINA, LLC

a Colorado limited liability company

By: \_\_\_\_\_

Name: Carlos M. Hernandez

Title: Managing Member

Date: \_\_\_\_\_

## **EXHIBIT A**

### **LEGAL DESCRIPTION OF SHOPPING CENTER**

Lot 1, Block 1, Willow Creek Retail Subdivision, City of Littleton, Arapahoe County, State of Colorado, according to the plat thereof recorded in Plat Book 89 at Page 45, Reception No. 2008-0045678, records of the Clerk and Recorder of Arapahoe County.

Address: 8500 South Willow Creek Boulevard, Littleton, Colorado 80128

Assessor's Parcel Number: 2075-01-1-00-001

Total Land Area: Approximately 18 acres

Total Gross Leasable Area: Approximately 200,000 square feet

## **EXHIBIT B**

### **SITE PLAN AND PREMISES FLOOR PLAN**

[Site plan and floor plan to be attached showing:]

- Shopping Center layout with anchor store and inline tenants
- Location of Suite 150 within Shopping Center
- Premises floor plan showing:
  - Interior dining area (2,800 SF, 120 seats)
  - Commercial kitchen (1,200 SF)
  - Bar area with 15 bar seats
  - Restrooms, storage, and back-of-house (500 SF)
- Outdoor patio area (800 SF, 40 seats)
- Rear service entrance and delivery access
- Trash enclosure and grease interceptor location
- Parking areas

## **EXHIBIT C**

### **LANDLORD'S WORK - VANILLA SHELL SPECIFICATIONS**

**Landlord shall deliver the Premises as a "vanilla shell" with the following improvements:**

#### **1. Structure and Envelope:**

- Concrete slab floor, level and broom-finished
- Exterior walls and storefront framing
- Roof structure and roofing
- One rear entry door (hollow metal frame and door)

#### **2. Utilities:**

- Electrical service: 400-amp, 208/120V, 3-phase panel
- Gas service: 2-inch gas line stubbed to Premises
- Water service: 1-1/2 inch water line with meter
- Sanitary sewer: 4-inch sewer line stubbed to Premises
- Grease waste: Connection point to shared grease interceptor

#### **3. HVAC:**

- Rooftop HVAC unit(s) sized for restaurant use (1 ton per 150 SF for dining, 1 ton per 100 SF for kitchen)
- Ductwork distribution is Tenant's responsibility

#### **4. Fire Suppression:**

- Wet sprinkler system with heads in shell configuration
- Kitchen hood suppression is Tenant's responsibility

#### **5. Tenant Improvement Allowance:**

- Landlord shall provide a TI Allowance of Forty-Five Dollars (\$45.00) per square foot of the Premises, for a total of Two Hundred Two Thousand Five Hundred Dollars (\$202,500.00)
- TI Allowance may be applied to: (a) architectural and engineering fees; (b) permits; (c) construction costs; (d) kitchen exhaust system; and (e) storefront improvements
- Costs exceeding TI Allowance are Tenant's responsibility

## **EXHIBIT D**

### **SIGNAGE CRITERIA**

#### **1. General Requirements:**

- All signage must comply with City of Littleton sign ordinance
- All signage requires Landlord's prior written approval
- Tenant responsible for all fabrication, installation, and permit costs

#### **2. Storefront Sign:**

- Location: Mounted on storefront fascia above entry doors
- Maximum height: 24 inches
- Maximum length: 80% of storefront width
- Type: Internally illuminated channel letters or reverse-lit halo letters
- Colors: Maximum three colors, subject to Landlord approval
- No cabinet signs, exposed neon, or animated signs permitted

#### **3. Pylon Sign Panel:**

- Panel size: 24 inches high x 96 inches wide
- Internally illuminated with LED
- Location on pylon: As designated by Landlord based on lease commencement

#### **4. Window Graphics:**

- Maximum coverage: 25% of window area
- Hours of operation sign: Required, near entry door
- Menu board may be displayed inside window (non-illuminated)

#### **5. Prohibited Signs:**

- Roof-mounted signs
- Exposed neon signs
- Animated, flashing, or moving signs
- Portable signs except as approved by Landlord
- Banners, flags, or pennants (except during approved promotions)
- Signs in Common Areas without Landlord approval