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TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	DEED (WARRANTY)
NAME OF PROPERTY OWNER OR GRANTOR OR GRANTEE:	3 BALLS, LLC.
PURPOSE:	DOWNTOWN DEVELOPMENT
ADDRESS:	401 COLORADO AVENUE
PARCEL NO:	2945-143-28-015
CITY DEPARTMENT:	DOWNTOWN DEVELOPMENT AUTHORITY
YEAR:	2008
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

WARRANTY DEED

045126

Grantor(s), **3 Balls LLC A Colorado Limited Liability Company** whose
address is **520 Red Tail Court, Whitewater, CO 81527,**

County of **MESA**, State of **COLORADO**, for the consideration of

**Four Hundred Thirty-Three Thousand One Hundred Twenty-Five And
00/100** in hand paid, hereby sell(s) and convey(s) to

Grand Junction Downtown Development Authority,
a **political subdivison of the State of Colorado**

whose legal address is **248 S 4th St, Grand Junction, CO 81501**, County of **MESA**, and State of **COLORADO**, the
following real property in the County of **MESA**, and State of Colorado, to wit:

**Lots 1, 2 and 3 in
Block 125 of the
CITY OF GRAND JUNCTION**

also known as street and number: **401 Colorado Avenue, Grand Junction, CO 81501**

with all its appurtenances, and warrant(s) the title to the same, subject to taxes for 2008, payable in 2009 and all subsequent
years, easements, rights of way, reservations and restrictions of record.

Signed this 7 day of **May, 2008**.

3 Balls LLC A Colorado Limited Liability Company


by **Billy E. Thompson, President of Dirt Cheap, Inc.,
A Nevada Corporation, Manager**

STATE OF COLORADO,

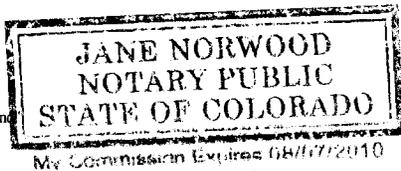
County of **Mesa**

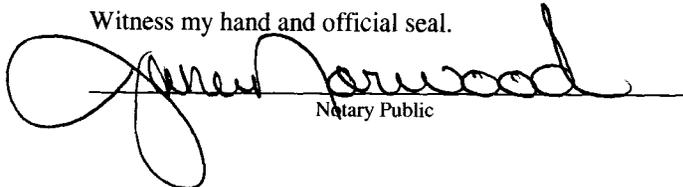
} ss.
TH

The foregoing instrument was acknowledged before me this 7th day of **May, 2008** by **Billy E. Thompson,
President of Dirt Cheap, Inc., A Nevada Corporation, Manager of 3 Balls LLC A Colorado Limited Liability
Company.**

My commission expires:

Witness my hand and official seal.




Notary Public

*If in Denver, insert "City and

Name and Address of Person Creating Newly Created Legal Description (§ 38-35-106.5, C.R.S.)

**CONTRACT TO BUY & SELL REAL ESTATE
(COMMERCIAL)**

1
2 **THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES**
3 **SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.**

4
5 Date: March 18th, 2008

6
7 Purchase Price: \$ 433,125.00
8 and other good and valuable consideration

9
10 **1. AGREEMENT.** Buyer agrees to buy, and the undersigned Seller agrees to sell, the
11 Property defined below on the terms and conditions set forth in this Contract.

12
13 **2. DEFINED TERMS.**

14
15 **a. Buyer.** Buyer will take title to the real property described below as the Grand
16 Junction Downtown Development Authority ("DDA" or "Buyer"), a political subdivision
17 of the State of Colorado.

18
19 **b. Seller.** Seller is 3 Balls, LLC, a Colorado limited liability company, ("Seller").

20
21 **c. Property.** The Property is commonly known and described as 401 Colorado
22 Avenue, tax schedule # **2945-143-28-015**, and legally described as Lots 1 through 3
23 including Block 125, Grand Junction, Colorado, together with all improvements and
24 attached fixtures appurtenant thereto, interests, easements, rights, benefits, improvements,
25 all interest of Seller in vacated streets and alleys adjacent thereto, except as herein
26 excluded.

27
28 **d. Dates and Deadlines.**

29

Item No.	Reference	Event	Date or Deadline
1	§ 5	Title Deadline	March 26, 2008
2	§ 6a	Title Objection Deadline	April 3, 2008
3	§ 6b	Off-Record Matters Deadline	March 26, 2008
4	§ 6b	Off-Record Matters Objection Deadline	April 3, 2008
5	§ 7a	Seller's Property Disclosure Deadline	March 21, 2008
6	§ 7b	Inspection Deadline	March 26, 2008
7	§ 7c	Inspection Objection Deadline	April 3, 2008
8	§ 8	Closing Date	May 20, 2008
9	§ 20	DDA Board Approval Deadline	April 10, 2008
10	§ 13	Possession Date	May 1, 2008
11	§ 24	Acceptance Deadline Date	March 17, 2008

30
31 **e. Attachments.** The following exhibits, attachments and addenda are a part of this
32 Contract:

33 **Attachment "A": General Warranty Deed**
34 **Attachment "B": Lease Agreement**
35

36 f. **Applicability of Terms.** A check or similar mark in a box means that such
 37 provision is applicable. The abbreviation "N/A" means not applicable. The abbreviation "MEC"
 38 (mutual execution of this contract) means the latest date upon which both parties have signed this
 39 Contract.
 40

41 3. **INCLUSIONS AND EXCLUSIONS.** The Purchase Price shall include all real property
 42 interests, easements, rights and benefits appurtenant to the Property.
 43

44 4. **PURCHASE PRICE AND TERMS.** The Purchase Price set forth below shall be
 45 payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§	Purchase Price	\$433,125.00	
2	§	Earnest Money	\$	0
3	§	Cash at Closing		\$ 433,125.00
4		TOTAL	\$433,125.00	\$ 433,125.00

46 Note: If there is an inconsistency between the Purchase Price on the first page and this § 4, the
 47 amount in § 4 shall control.
 48

49 5. **EVIDENCE OF TITLE.** On or before **Title Deadline** (§2d), Seller shall cause to be
 50 furnished to Buyer, at Seller's expense, a current commitment for owner's title insurance policy
 51 ("Title Commitment") in an amount equal to the Purchase Price, together with true and legible
 52 copies of all instruments referred to therein, including, but not limited to, true and legible copies
 53 of any plats, declarations, covenants, conditions and restrictions describing, affecting or
 54 burdening the Property and true and legible copies of any other documents listed in the schedule
 55 of exceptions ("Exceptions"). Seller shall have the obligation to furnish the documents pursuant
 56 to this subsection without any request or demand by Buyer. The Title Commitment together with
 57 copies of such documents furnished pursuant to this Section shall constitute the title documents
 58 ("Title Documents"). The Title Documents shall set forth all matters of record necessary to
 59 permit a determination whether title is merchantable or satisfactory to Buyer. At Seller's
 60 expense, Seller shall cause the title insurance policy to be issued and delivered to Buyer as soon
 61 as practicable at or after Closing. If a title insurance commitment is furnished, it shall commit to
 62 delete or insure over the standard exceptions which relate to:

- 63 a. parties in possession,
- 64 b. unrecorded easements,
- 65 c. survey matters,
- 66 d. any unrecorded mechanic's liens, and
- 67 e. gap period (effective date of the Title Commitment to the date deed is recorded).

68
 69 Any additional premium expense to obtain this additional coverage shall be paid by
 70 Buyer. Seller shall cause the title insurance policy to be delivered to Buyer as soon as
 71 practicable, at or after Closing.
 72

73 6. **TITLE.**

74
 75 a. **Title Review.** Buyer shall have the right to inspect the Title Documents. Written
 76 notice by Buyer of unmerchantability of title or any other unsatisfactory title condition shown by

77 the Title Documents shall be signed by or on behalf of Buyer and given to Seller on or before the
78 **Title Objection Deadline** (§2d), or within five (5) business days after receipt by Buyer of any
79 change to the Title Documents or endorsement(s) to the Title Commitment together with a copy
80 of the document(s) adding new Exception(s) to title, whichever is later. If Buyer does not mail its
81 notice by the date(s) specified above, Buyer shall be deemed to have accepted as satisfactory the
82 condition of title as disclosed by the Title Documents.
83

84 **b. Matters not Shown by the Public Records.** Seller shall deliver to the Buyer, on
85 or before the **Off-Record Matters Deadline** (§2d Item No.3), true copies of all lease(s),
86 agreement(s), contract(s), notice(s) and surveys in Seller's possession pertaining to or affecting
87 the Property and shall disclose to Buyer all easements, liens or other title matters (including,
88 without limitation, rights of first refusal and options) not shown by the public records of which
89 Seller have actual knowledge. The documents and information referred to in the preceding
90 sentence shall constitute "Off-Record Matters." Buyer shall have the right to inspect the Property
91 to determine if any third party(s) has any right in the Property not shown by the public records
92 (such as an unrecorded easements, unrecorded lease, or boundary line discrepancies). Written
93 notice of any unsatisfactory condition(s) disclosed by Seller or revealed by such inspection(s)
94 shall be signed by or on behalf of Buyer and mailed to Seller on or before the **Off-Record**
95 **Matters Objection Deadline** (§2d Item No. 4). If Buyer does not mail Buyer's notice by said
96 date, Buyer shall be deemed to have accepted the condition of title subject to such rights, if any,
97 of third parties of which Buyer has actual notice.
98

99 **c. Right to Object, Cure.** If Seller receives notice of unmerchantability of title or
100 any other unsatisfactory title condition(s) as provided in §6a and 6b above, Seller shall use
101 reasonable efforts to correct said items and bear any nominal expense(s) to correct the same prior
102 to Closing. If such unsatisfactory title condition is not corrected to Buyer's satisfaction on or
103 before Closing, this Contract shall then terminate; provided, however, Buyer may, by written
104 notice given to Seller on or before Closing, waive objection to such items.
105

106 **7. PROPERTY DISCLOSURE AND INSPECTION.**
107

108 **a. Seller's Property Disclosure.** On or before **Seller's Property Disclosure**
109 **Deadline** (§2d Item No. 5), Seller agrees to provide Buyer with a written disclosure of any and
110 all adverse matters regarding the Property of which Seller has current and actual knowledge.
111

112 **b. Inspection.** After Seller has accepted this Contract, Buyer shall have the right, at
113 Buyer's expense, to conduct inspection(s) of the physical condition of the Property
114 ("Inspections"). The Inspection(s) may include, but not be limited to, boundary surveys,
115 engineering surveys, soil samples and surveys, and environmental surveys which including
116 sampling and testing of building materials.
117

118 **c. Inspection Objection Deadline.** If the physical condition of the Property is
119 unsatisfactory, as determined by Buyer's sole and subjective discretion, Buyer's sole recourse
120 shall be to notify Seller in writing, on or before **Inspection Objection Deadline** (§2d Item No.
121 7) that this Contract is terminated, in which case all payments and things of value received
122 hereunder shall be returned to Buyer.
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d. Representations and Warranties Regarding Environmental Matters.

- (1) Seller represents and warrants that:
 - (a) Seller has no current and actual knowledge of any hazardous material at, upon, under or within the Property or, and
 - (b) Seller shall not cause or permit to be introduced any Hazardous Material at, upon, under or within the Property from now until Closing and until termination of Seller's occupancy pursuant to the Lease. See §25 below.
- (2) For purposes of this Contract, the term "hazardous material" does not include asbestos or asbestos containing materials in the building or fixtures on the Property or lead paint, if any, on the Property as of the date of this Contract.
- (3) Buyer represents and warrants that the completion of the Closing by Buyer shall evidence Buyer's acceptance of the physical condition, including the environmental condition, of the Property WHERE IS, AS IS, without warranty or representation from Seller except as expressly stated in this Section 7.

f. Damage; Liens; Indemnity. Buyer is responsible for payment for all inspections, surveys, engineering reports or any other work performed at Buyer's request. Buyer shall pay for, and/or restore to its prior condition, any damage which occurs to the Property as a result of such activities if Closing does not occur. Buyer shall not permit claims or liens of any kind against the Property for inspection, surveys, engineering reports and for any other work performed on the Property at Buyer's request if Closing does not occur. Buyer agrees to indemnify and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller in connection with the Inspections, including regarding frivolous or groundless claims made by third parties. If Buyer fails to indemnify and/or hold Seller harmless, as provided, Seller may recover reasonable costs and expenses incurred by Seller to enforce this subsection, including Seller's reasonable attorney fees. The provisions of this subsection shall survive the termination of this Contract or the Closing.

8. CLOSING. Delivery of deed from Seller to Buyer shall be at Closing ("Closing"). Closing shall be on the date specified as **Closing Date** (§2d Item No. 9) or at an earlier date upon request of the Buyer. The hour and place of Closing shall be as designated by mutual agreement between Seller and Buyer.

9. TRANSFER OF TITLE. Subject to terms and provisions hereof, Seller shall execute and deliver a good and sufficient General Warranty Deed, the form of which is attached as **Attachment "A"**, to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as provided herein, title shall be conveyed free and clear of all liens, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon. Title shall be conveyed subject to:

- a.** those specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Buyer in accordance with §6a (Title Review);

171 b. the Off-Record Matters and those specifically described rights of third parties not
172 shown by the public records of which Buyer has actual knowledge and which were accepted by
173 Buyer in accordance with §6b (Matters not Shown by the Public Records);
174

175 c. the Lease, as described in §25 below.
176

177 **10. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall be
178 paid at or before Closing from the proceeds of this transaction or from any other source.
179

180 **11. CLOSING COSTS; DOCUMENTS AND SERVICES.** Buyer and Seller shall pay, in
181 Good Funds, their respective Closing costs and all other items required to be paid at Closing,
182 except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or
183 reasonably required documents at or before Closing. Fees for real estate closing services shall be
184 paid at Closing by One-Half by Buyer and One-Half by Seller. Any sales, use or other tax that
185 may accrue because of this transaction shall be paid when due by the party so responsible under
186 applicable law.
187

188 **12. PRORATIONS.** The following shall be prorated to the **Closing Date** (§8), except as
189 otherwise provided:
190

191 a. **Personal Property Taxes.** Personal property taxes, if any, shall be paid by
192 Seller;
193

194 b. **General Real Estate Taxes.** General real estate taxes shall be prorated to the
195 Closing Date based on the most recent mill levy and the most recent assessment;
196

197 c. **Final Settlement.** Unless otherwise agreed in writing, these prorations shall be
198 final.
199

200 **13. POSSESSION.** Possession of the Property shall be delivered to Buyer on the **Possession**
201 **Date** (§2d Item No. 10), free and clear of any and all leases, tenancies and personal property,
202 except the Lease, as described in §25 below. The property shall be clean to the Buyer's
203 satisfaction.
204

205 If Seller, after Closing, fails to deliver possession as specified, Seller shall be subject to
206 eviction and shall be additionally liable to Buyer for payment of \$150.00 per day from the
207 **Possession Date** (§2d Item No. 10) until possession is delivered as required.
208

209 **14. NOT ASSIGNABLE.** This Contract shall not be assignable by Buyer without Seller's
210 prior written consent. Except as so restricted, this Contract shall inure to the benefit of and be
211 binding upon the heirs, personal representatives, successors and assigns of both parties.
212

213 **15. INSURANCE, CONDITION OF, DAMAGE TO PROPERTY.** Except as otherwise
214 provided in this Contract, the Property shall be delivered in the condition existing as of the date
215 of this Contract, ordinary wear and tear excepted; however, damage to the Improvements is not a
216 ground for Buyer to terminate this agreement. In the event the Property shall be damaged by fire
217 or other casualty prior to Closing, Seller shall not be obligated to repair any damage prior to
218 Closing.
219

220 **16. LEGAL AND TAX COUNSEL; AMBIGUITIES.**

221
222 a. Buyer and Seller have each obtained the advice of its/their own legal and tax
223 counsel regarding this Contract or have knowingly declined to do so.
224

225 b. The parties agree that the rule of construing ambiguities against the drafter shall
226 have no application to this Contract.
227

228 **17. TIME OF THE ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence
229 hereof. If any payment due hereunder is not paid, honored or tendered when due, or if any other
230 obligation hereunder is not performed or waived as herein provided, there shall be the following
231 remedy:
232

233 a. **If Buyer is in Default:** Seller may elect to treat this contract as cancelled, in
234 which case all payments and things of value received hereunder shall be forfeited and retained on
235 behalf of Seller, and Seller may recover such damages as may be proper, or Seller may elect to
236 treat this contract as being in full force and effect, and Seller shall have the right to specific
237 performance or damages or both.
238

239 b. **If Seller is in Default.** Buyer may elect to treat this contract as cancelled, in
240 which case all payments and things of value received hereunder shall be returned and Buyer may
241 recover such damages as may be proper, or Buyer may elect to treat this contract as being in full
242 force and effect and Buyer shall have the right to specific performances or damages, or both.
243

244 c. **Costs and Expenses.** In the event of any arbitration or litigation relating to this
245 contract, the arbitrator or court shall award to the prevailing party all reasonable costs and
246 expenses, including attorney and legal fees.
247

248 **18. MEDIATION.** If a dispute arises relating to this Contract, prior to or after Closing, and
249 is not resolved, the parties shall first proceed in good faith to submit the matter to mediation.
250 Mediation is a process in which the parties meet with an impartial person who helps to resolve
251 the dispute informally and confidentially. Mediators cannot impose binding decisions. The
252 parties to the dispute must agree before any settlement is binding. The parties will jointly appoint
253 an acceptable mediator and will share equally in the cost of such mediation. The mediation,
254 unless otherwise agreed, shall terminate in the event the entire dispute is not resolved thirty (30)
255 calendar days from the date written notice requesting mediation is sent by one party to the other
256 at the party's last known address. This section shall not alter any date in this Contract, unless
257 otherwise agreed in writing.
258

259 **19. TERMINATION.** In the event this Contract is terminated, all payments and things of
260 value received hereunder shall be returned and the parties shall be relieved of all obligations
261 hereunder, subject to §7f (Damage; Liens; Indemnity), §17b (If Seller is in Default), and §18
262 (Mediation).
263

264 **20. ADDITIONAL PROVISIONS.**
265

266 a. **DDA Board Ratification.** The execution of this Contract by the Executive Director
267 of the Buyer and Buyer's obligation to proceed under its terms and conditions is expressly
268 conditioned upon, and subject to, the formal ratification, confirmation and acceptance by Buyer's
269 Board of Directors. In the event such ratification, confirmation and consent is not obtained on or

270 before the **Board Approval Deadline** (§2d Item No. 9), this Contract shall automatically
271 ~~terminate and both parties shall~~ thereafter be released from all obligations hereunder.

272
273 **21. ENTIRE AGREEMENT; SUBSEQUENT MODIFICATION; SURVIVAL.** This
274 Contract constitutes the entire agreement between the parties relating to the subject hereof and
275 any prior agreements pertaining thereto, whether oral or written, have been merged and
276 integrated into this Contract. No subsequent modification of any of the terms of this Contract
277 shall be valid, binding upon the parties or enforceable unless made in writing and signed by the
278 parties. Any obligation in this Contract that, by its terms, is intended to be performed after
279 termination or Closing shall survive the same.

281 **22. FACSIMILE.** Signatures may be evidenced by facsimile. Documents with original
282 signatures shall be provided to the other party at Closing or earlier upon request of any party.

284 **23. NOTICE.** Except for the notice requesting mediation described in §18, any notice to
285 Buyer shall be effective when received by Buyer and any notice to Seller shall be effective when
286 received by Seller.

288 **24. ACCEPTANCE; COUNTERPART.** This proposal shall expire unless accepted in
289 writing, by Buyer and Seller, as evidenced by their signatures below and the offering party
290 receives notice of such acceptance pursuant to §23 on or before **Acceptance Deadline Date** (§2d
291 Item No. 11). If accepted, this document shall become a contract between Seller and the Buyer,
292 subject to ratification by the DDA Board of Directors. A copy of this document may be executed
293 by each party, separately, and when each party has executed a copy thereof, such copies taken
294 together shall be deemed to be a full and complete contract between the parties.

296 **25. LEASE.** Buyer and Seller shall execute a Lease Agreement at Closing, for a term of
297 approximately eight (8) months from the date of Closing, to terminate December 31, 2008.
298 Rental terms are described in the Lease Agreement, attached hereto as "**Attachment B**".

300 **The Grand Junction Downtown Development Authority, a political subdivision of the State**
301 **of Colorado, Buyer:**

302
303 By:  March 18th, 2008
304 Harold Stalf, Executive Director Date of Buyer's signature

306 **Buyer's Address:** 248 S. 4th Street, Grand Junction, CO 81501
307 **Buyer's Telephone Number:** (970) 256-4134
308 **Buyer's Fax No.:** (970) 243.1865

310 **With Copy to:** Grand Junction City Attorney, 250 North 5th Street, Grand Junction, CO 81501
311 **City Attorney's Telephone Number:** (970) 244-1503
312 **City Attorney's Fax No.:** (970) 244-1456

314 **Acceptance by: 3 Balls, LLC, a Colorado limited liability company, Seller:**

315
316 By:  3/18, 2008
317 Billy E. Thompson Date of Seller's signature

318

319 **Seller's Address:** 634 Ouray Ave. Grand Junction, CO 81501

320 **Seller's Telephone Number:** (970) 270.4429

321 **Seller's Fax No.:** (970) N/A

322

323 **25. COUNTER; REJECTION.** This offer is **Countered** **Rejected.**

324

325 **Initials only of party (Buyer or Seller) who countered or rejected offer:** _____

326

327

END OF CONTRACT

328

--

LEASE AGREEMENT

THIS Lease Agreement ("Lease") is made and entered into as of this 18th day of March, 2008, by and between the Grand Junction Downtown Development Authority, a political subdivision of the State of Colorado, 248 S. Fourth Street, Grand Junction, CO, 81501 ("Landlord" or "DDA") and 3 Balls, LLC, 401 Colorado Avenue, Grand Junction, CO 81501 ("Tenant").

The purpose of this Lease is to allow the Tenant sufficient time from Closing of the Contract to Buy and Sell Real Estate (Commercial) (the "Contract") to wind-up Tenant's business, and remove all of Tenant's personal property, as further described in the Contract.

The parties agree as follows:

- 1(a). Premises:** The premise is the existing building and appurtenant parking area directly south of the building ("Premises"), located on the real property owned by Landlord at 401 Colorado Avenue, Grand Junction, Colorado 81501. The description of the subject real property ("Real Property") is tax schedule # **2945-143-28-015**, and legally described as Lots 1 through 3 including Block 125, Grand Junction, Colorado.
- 1(b). Term:** The term ("Term") of this Lease shall be approximately seven (7) months from the closing on the Contract; notwithstanding any other provision to the contrary, Tenant shall have the right to possess the Premises until the 31st day of December, 2008.
- 1(c). Expiration Date:** The Lease shall expire at midnight on December 31, 2008.
- 1(d). Rent:** Tenant shall pay Rent for the Premises for the Term hereof in the amount of \$10.00 per month.
- 1(e). Utilities/Other Costs:** Tenant shall pay for all utilities, taxes and whatever maintenance and repair of the Premises as Tenant deems necessary so that Tenant may continue to operate its business, Credit Jewelry & Loans. Tenant shall continue to pay all utility expenses until Tenant has vacated the Premises.
- 1(f). Security Deposit:** No security deposit is required of the Tenant.
- 1(g). Landlord's Notice Address:**
250 North 5th Street
Attn: John Shaver
Grand Junction, CO 81501
- 1(h). Tenant's Notice Address:**
401 Colorado Avenue
Grand Junction, CO 81501

2. Term. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises for the Term; upon the expiration of the Term, Tenant shall quit and surrender the Premises.

3(a). Rent. Tenant shall pay Landlord the rent in the amount of \$70.00 for the entire Term hereof, except as otherwise provided herein.

3(b). General Payment Matters. Tenant shall pay Rent in good funds and legal tender of the United States of America. Tenant shall pay Rent without any deduction, recoupment, set-off or counterclaim, except as may be expressly provided in this Lease.

4. Use of Premises. The Premises shall be used for the existing Credit Jewelry & Loans business, and for no other purpose without prior written consent of Landlord. Tenant shall not do, or permit to be done, in or about the Premises, nor bring or keep or permit to be brought or kept herein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance, or governmental rule or regulation now in force, or which may hereafter be enacted or promulgated. The terms of the Contract relating to Hazardous Materials and cleanliness of the Premises upon vacancy shall continue to apply throughout Tenants' occupancy.

5. Alterations. All personal property, including motor vehicles and parts, furniture, trade fixtures and equipment, shall be removed by the Tenant on or before the end of the Term hereof. The Premises shall be clean as defined by the Contract at the termination of the Lease.

6. Landlord Repairs. Tenant shall make such repairs to the major structural components of the Premises, such as roof, parking lot, and structural elements, as Tenant deems appropriate. Landlord shall not be responsible for any failures of heating, cooling, electrical, plumbing or other systems or components.

7. Tenant Repairs. Tenant shall, at all times during Tenants' occupancy, at Tenant's sole cost and expense, keep the Premises in good and sanitary condition.

8. Mechanics Liens. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by or through Tenant.

9. No Assignment. Tenant may not, without the prior written consent of Landlord, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest herein or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than Tenant. Any such assignment or subletting without such consent shall be void. Any such consent by Landlord shall not release Tenant from any of Tenant's obligations hereunder or be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. This Lease shall not, nor shall any interest herein, be assignable as to the interest of Tenant by operation of law without the written consent of Landlord.

10. Utilities. In addition to the rental and other sums to be paid by Tenant hereunder, all electricity, telephone, natural gas, trash services, snow removal, water and sewer utilities, used upon or furnished to the Premises during the term hereof shall be paid for by the Tenant.

11. Insurance. Tenant shall obtain insurance deemed appropriate by Tenant covering Tenant's operations and personal property. Tenant shall indemnify and hold the City harmless from any and all claims, damages or causes of action on or arising out of the use of the Premises.

12. Holdover. If Tenant does not surrender possession of the Premises at the end of the Term, as provided here, Tenant shall be a Tenant-at-sufferance of Landlord, and Rental and other payments due during the period of such hold-over shall be \$100.00 per day until Tenant has surrendered possession to Landlord.

13. Inspection. Landlord may enter the Premises and the Real Property at reasonable hours to (a) inspect the same, (b) exhibit the same to prospective purchasers, lenders, or prospective Tenants, (c) determine whether Tenant is complying with all of its obligations hereunder, and (d) post notices of non-

responsibility. All such entries shall be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible.

14. Default. Tenant shall be deemed to be in default hereunder:

- (a) If Tenant shall be adjudicated bankrupt, or if a trustee or receiver of Tenant's property be appointed, or if Tenant shall make an assignment for the benefit of creditors; or
- (b) If default shall at any time be made by Tenant in the payment of rent, utilities, or other costs, or any installment thereof, for more than three (3) days after the same is due to Landlord or other provider; or
- (c) If there shall be a default in the performance of any other covenant, agreement or condition, herein contained or hereafter established on the part of the Tenant for ten (10) days after written notice of such default by the Landlord, unless such default cannot be reasonably cured within 10 days and unless Tenant within such 10 days fails to commence the curing of such default, or thereafter fails to diligently proceed to cure such default.

Upon default, Landlord may terminate this Lease and Tenant shall peacefully surrender the Premises to Landlord and Landlord may upon such termination or at any time after such termination, without further notice, rent the Premises and repossess it by force, summary proceedings, ejectment or otherwise and may dispossess Tenant and remove Tenant and all other persons and property from the Premises. At any time after such termination, Landlord may relet the Premises or any part thereof in the name of Landlord or otherwise for such term (which may be greater or lesser than the period which would otherwise have constituted the balance of the term of this Lease) and on such conditions (which may include concessions or free rent) as Landlord, in Landlord's discretion, may determine and may collect and receive the rents therefor. Landlord shall in no way be responsible for or liable for any failure to relet the Premises or any party thereof or for any failure to collect any rent due upon such reletting.

15. Waiver. The waiver by Landlord of any term, covenant, agreement or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition, nor shall any custom or practice which may grow between the parties in the administration of this Lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with all of the provisions of this Lease. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any provision, covenants, agreements or conditions of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

16. Notices. All notices and demands which may or are required to be given by either party to the other hereunder shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified or registered, postage prepaid, and addressed as shown on Section 1 hereof, or to such other place as each party may from time to time designate in a notice to the other party.

17. Quiet Enjoyment. Provided Tenant has performed all of the terms, covenants, agreements, and conditions of this Lease, including the payment of rent and all other sums due hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises and Real Property against Landlord and all persons claiming by, through or under Landlord, for the term herein described subject to the provisions and conditions of this Lease.

18. Termination. Landlord may terminate this Lease in accordance with the terms hereof. Should the tenant vacate the premise, this lease shall terminate and the premise shall revert immediately to the landlord.

IN WITNESS WHEREOF, the parties have executed this Lease dated the day and year first above written, to be effective upon the Closing of the Contract.

LANDLORD:

GRAND JUNCTION DOWNTOWN DEVELOPMENT
AUTHORITY, a political subdivision of the State of
Colorado

By: *[Signature]* Exec. Director
Name and Title

Date: March 18th, 2008

TENANT:

3 BALLS, LLC, a limited liability company,

By: *[Signature]*
Name

By: _____
Name

Date: 3/08/08