

FIRST AMENDMENT TO THE LEASE AGREEMENT

BETWEEN SPIRIT HOUND DISTILLERS AND THE TOWN OF LYONS COLORADO

THIS FIRST AMENDMENT TO THE SITE LEASE AGREEMENT ("First Amendment") is made by and between the **TOWN OF LYONS**, a Colorado municipal corporation whose address is 432 Fifth Avenue, Lyons, Colorado, 80540, ("Town" or "Lessor"), and **SPIRIT HOUND DISTILLERS, LLC** ("Spirit Hound" or "Lessee"), a Colorado Corporation, ("Lessee"), whose mailing address is 4196 Ute Hwy. Lyons, CO / P.O. Box 1894, Lyons, Colorado 80540. Each of the Lessor and Lessee may be referred to as a "Party" individually and as the "Parties" collectively.

WHEREAS, the Board of Trustees of the Town (the "Board") is authorized by Section 31-15-801 of the Colorado Revised Statutes to enter into long-term rental or leasehold agreements;

WHEREAS, the Parties previously entered into a Site Lease Agreement ("Agreement") for the lease of property; and

WHEREAS, the Parties desire to enter into this First Amendment to amend the provisions of the Agreement concerning the modification of the storage building on the Leased Premises.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the Parties hereto agree as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference as though set forth in full.
2. Original Terms and Conditions. Except as amended herein, the original terms and conditions of the Agreement remain in full force and effect.
3. **Modification of Storage Building.** Section 6.5 of the Agreement is modified to read as follows:

6.5 The existing storage building on the Leased Premises (the "Building") may be used "as-is" until September 1, 2024. The lessee shall modify the Building as necessary to allow the construction of the Trail. Demolition of the Building necessary to complete the required modification and to allow for Trail construction, including any necessary construction preparation, must be completed by September 1, 2024. Further modifications to the Building shall be completed before October 1, 2024. In the event that demolition is not completed by September 1, 2024, the Lessor may perform the required demolition up to and including demolition of the entire building. All demolition and modification activities shall be in deference to Trail construction activities undertaken by the Lessor, and trail construction activities in the Leased Premises shall take priority over competing Building demolition and modification activities undertaken by Lessee. In the event of a conflict, the Lessor shall inform Lessee, and Lessee shall suspend all Building demolition and/or modification activities as soon as

practicable and until such time as the conflict ceases to exist. The modifications shall be constructed by the lowest qualified quote of a minimum of three (3) bidders subject to approval by the Town of Lyons Board of Trustees. Such modifications shall be of similar design, material, quality, and construction to the existing Building. The Building footprint cannot impede existing utilities, ditch access, and construction and use of the Trail. Upon completion of the modifications to the building reasonably necessary for the construction of the trail, the Lessee shall submit to the Lessor a written itemized invoice for all reasonably incurred expenses directly related to the cost of the modifications to the building. Upon sixty (60)-days of receipt of a written invoice, the Lessor will pay the Lessee all reasonably incurred modification expenses not to exceed twenty thousand dollars (\$20,000).

4. Force and Effect of Amendment. Notwithstanding anything in the Original Agreement to the contrary, the Original Agreement shall be amended such that all references in the Original Agreement to "Agreement" shall refer to the Original Agreement as amended by this First Amendment.

5. Conflict. This First Amendment is and shall be construed as part of the Original Agreement. In case of any inconsistency between this First Amendment and the Original Agreement, the provisions containing such inconsistency shall be reconciled with one another to the maximum extent possible, and then to the extent of any remaining inconsistency, the terms of this First Amendment shall control.

6. Counterparts; Facsimile or Electronic Signature; Authority. The Parties hereto agree that this First Amendment may be executed in multiple counterparts, which shall constitute a binding agreement when signed by all parties. The Parties further agree that this First Amendment may be executed by facsimile or electronic signature and that any facsimile or electronic signature shall be binding upon the Party providing such signature as if it were the Party's original signature.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to be effective as of the date of mutual execution by the Parties. By the signature of its representatives below, each Party affirms that it has taken all necessary action to authorize said representative to execute this First Amendment.

REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK

SIGNATURE PAGE FOLLOW

LESSOR: TOWN OF LYONS, COLORADO

Hollie Rogin, Mayor

Date: _____

ATTEST:

Dolores Vasquez, Town Clerk

LESSEE: Spirit Hound Distillers, LLC, a Colorado limited liability company

By: _____ Date: _____

Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024,
by _____, as _____ of Spirit Hound Distillery

Witness my hand and official seal.

My commission expires: _____

[S E A L]

Notary Public