



**Town Board of Trustees
Tuesday, June 7, 2016
5:30 p.m. – 6:00 p.m.**

SPECIAL MEETING

**Public Meeting Room / Eagle Town Hall
200 Broadway
Eagle, CO**

*This agenda and the meetings can be viewed at www.townofeagle.org.
Meetings are also aired online at <https://vimeo.com/channels/townofeagle/>.*

<u>5:30 P.M. Meeting Called to Order</u>
7 Hermits Brewing Company LLC Request for Report of Changes – Change of Location
Adjourn

ADJOURN

I hereby certify that the above Notice of Meeting was posted by me in the designated location at least 24 hours prior to said meeting.

Jenny Rakow, CMC
Town Clerk



Date: June 7, 2016
To: Eagle Town Board of Trustees
From: Jenny Rakow, Town Clerk
Re: 7 Hermits Brewing Company LLC
Applicant: Stanley Lake and Matt Mueller

APPLICATION DETAILS: 7 Hermits Brewing Company LLC has applied for a Permit Application and Report of Changes for their Brew Pub to move locations from 0717 Sylvan Lake Rd #B101 to 1020 Capitol Street.

- A completed application was received on May 5, 2016.
- A Notice of Findings was completed regarding the location being eligible for a liquor license. Business is currently awaiting TCO at time of memo and will be subject to conditional approval upon granting.
- The premises was posted on May 25th for a minimum of ten days preceding the public hearing.
- The notice of public hearing was published on Tuesday, May 17th in the Vail Daily.

STATUTORY CONSIDERATIONS: As the local licensing authority, the Board shall consider approval or denial of this application based upon to the needs of the neighborhood, the desires of the adult inhabitants, and character of the applicant. The licensing authority shall consider the effect on competition of the granting or disapproval of additional licenses and no application for an additional license that would have the effect of restraining competition shall be approved.

STAFF RECOMMENDATION: Based upon all the foregoing considerations being satisfactorily met, staff recommends approval of this license and GRANTING moving the license to this location.

Condition may be approval by Building Department.

BEFORE THE TOWN OF EAGLE LIQUOR LICENSING AUTHORITY

200 BROADWAY
PO BOX 609
EAGLE CO 81631

FINDINGS AND ORDER APPROVING REPORT OF CHANGES

IN THE MATTER OF

Application for Change in Location of a Brew Pub License
For 7 Hermits Brewing Company LLC
Address: 1020 Capitol, Eagle, CO

Having considered the application of Stanley Lake and Matt Marples for a Change of Location of a Brew Pub License, and all attachments submitted therewith (the "Application"), having held a public hearing on the Application on June 7, 2016 following due and proper notice, all in accordance with the Colorado Liquor Code, 12-47-101 et seq., C.R.S., and having considered all relevant and competence evidence admitted at the said public hearing, the Local Licensing Authority FINDS AS FOLLOWS:

1. There has not been a denial of an application at the same location by either the State or Local Licensing Authority with the two (2) years preceding the date of the application for the reason that the reasonable requirements of the neighborhood were satisfied by the existing outlets.
2. The Applicant has submitted evidence that it is entitled to possession of the premises where the license is proposed to be exercised.
3. The premises where the Applicant proposes to sell alcohol is not in violation of the 500-foot limitation from any public or parochial school or the principal campus of any college, university or seminary.
4. The premises are properly zoned for the activity which will occur therein.
5. The location has been previously decided by a preponderance of evidence that the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood are not currently being met by existing outlets.

BASED UPON THE FOREGOING, THE LOCAL LICENSING AUTHORITY HEREBY ORDERS that the application of Stanley Lake and Matt Marples – 7 Hermits Brewing Company LLC for Change of Location of a Brew Pub Liquor License is hereby GRANTED.

DATED this 7th day of June, 2016

LOCAL LIQUOR LICENSING AUTHORITY
TOWN OF EAGLE

Anne McKibbin, Chair

ATTEST:

Jenny Rakow, Town Clerk

PERMIT APPLICATION AND REPORT OF CHANGES

CURRENT LICENSE NUMBER 4702004
 ALL ANSWERS MUST BE PRINTED IN BLACK INK OR TYPEWRITTEN
 LOCAL LICENSE FEE \$ _____
 APPLICANT SHOULD OBTAIN A COLORADO LIQUOR & BEER CODE BOOK TO ORDER CALL (303) 370-2165

1. Applicant is a		PRESENT LICENSE NUMBER
<input type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Limited Liability Company		4702004
2. Name of Licensee		3. Trade Name
7 HERMITS BREWING COMPANY		7 HERMITS BREWING COMPANY LLC
4. Location Address		
717 SYLVAN LAKE ROAD UNIT 1-B (B1-01)		
City	County	ZIP
SAGLE	SAGLE	81631

SELECT THE APPROPRIATE SECTION BELOW AND PROCEED TO THE INSTRUCTIONS ON PAGE 2.

Section A – Manager reg/change	Section C
• License Account No. _____ 1983-750 (999) <input type="checkbox"/> Manager's Registration (Hotel & Restr.)...\$75.00 2012-750 (999) <input type="checkbox"/> Manager's Registration (Tavern).....\$75.00 <input type="checkbox"/> Change of Manager (Other Licenses) NO FEE	2210-100 (999) <input type="checkbox"/> Retail Warehouse Storage Permit (ea) \$100.00 2200-100 (999) <input type="checkbox"/> Wholesale Branch House Permit (ea).... 100.00 2260-100 (999) <input type="checkbox"/> Change Corp. or Trade Name Permit (ea) .50.00 2230-100 (999) <input checked="" type="checkbox"/> Change Location Permit (ea)..... 150.00 2280-100 (999) <input type="checkbox"/> Change, Alter or Modify Premises \$150.00 x _____ Total Fee _____
Section B – Duplicate License	2220-100 (999) <input type="checkbox"/> Addition of Optional Premises to Existing H/R \$100.00 x _____ Total Fee _____ 1988-100 (999) <input type="checkbox"/> Addition of Related Facility to Resort Complex \$75.00 x _____ Total Fee _____
• Liquor License No. _____ 2270-100 (999) <input type="checkbox"/> Duplicate License\$50.00	

DO NOT WRITE IN THIS SPACE – FOR DEPARTMENT OF REVENUE USE ONLY

DATE LICENSE ISSUED	LICENSE ACCOUNT NUMBER	PERIOD
-750 (999)	-100 (999)	The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.
TOTAL AMOUNT DUE		\$.00

INSTRUCTION SHEET

FOR ALL SECTIONS, COMPLETE QUESTIONS 1-4 LOCATED ON PAGE 1

Section A

To Register or Change Managers, check the appropriate box in section A and complete question 8 on page 4. Proceed to the Oath of Applicant for signature (Please note: Hotel, Restaurant, and Tavern licensees are required to register their managers).

Section B

For a Duplicate license, be sure to include the liquor license number in section B on page 1 and proceed to page 4 for Oath of Applicant signature.

Section C

Check the appropriate box in section C and proceed below.

- 1) *For a Retail Warehouse Storage Permit*, go to page 3 complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 2) *For a Wholesale Branch House Permit*, go to page 3 and complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 3) *To Change Trade Name or Corporation Name*, go to page 3 and complete question 6 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 4) *To modify Premise*, go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 5) *For Optional Premises or Related Facilities* go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 6) *To Change Location*, go to page 3 and complete question 7. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.

STORAGE PERMIT

5. Retail Warehouse Storage Permit or a Wholesalers Branch House Permit

- Retail Warehouse Permit for:
 - On-Premises Licensee (Taverns, Restaurants etc.)
 - Off-Premises Licensee (Liquor stores)
- Wholesalers Branch House Permit

Address of storage premise: _____

City _____, County _____, Zip _____

Attach a deed/ lease or rental agreement for the storage premises.
Attach a detailed diagram of the storage premises.

CHANGE TRADE NAME OR CORPORATE NAME

6. Change of Trade Name or Corporation Name

- Change of Trade name / DBA only
- Corporate Name Change (Attach the following supporting documents)
 1. Certificate of Amendment filed with the Secretary of State, or
 2. Statement of Change filed with the Secretary of State, and
 3. Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement.

Old Trade Name	New Trade Name
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Old Corporate Name	New Corporate Name
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CHANGE OF LOCATION

7. Change of Location

NOTE TO RETAIL LICENSEES: An application to change location has a local application fee of \$750 payable to your local licensing authority. You may only change location within the same jurisdiction as the original license that was issued. Pursuant to 12-47-311 (1) C.R.S. Your application must be on file with the local authority thirty (30) days before a public hearing can be held.

Date filed with Local Authority May 5, 2016 Date of Hearing June 14, 2016

(a) Address of current premises 717 SYLVAN LAKE ROAD UNIT 1-B (B1-1)

City SABLE County EAGLE Zip 81631

(b) Address of proposed New Premises (Attach copy of the deed or lease that establishes possession of the premises by the licensee)

Address 1020 CAPITAL STREET

City SABLE County EAGLE Zip 81631

(c) New mailing address if applicable.

Address _____

City _____ County _____ State _____ Zip _____

(d) Attach detailed diagram of the premises showing where the alcohol beverages will be stored, served, possessed or consumed. Include kitchen area(s) for hotel and restaurants.

CHANGE OF MANAGER	<p>8. Change of Manager or to Register the Manager of a Tavern or a Hotel and Restaurant liquor license.</p> <p>(a) Change of Manager (attach Individual History DR 8404-I H/R and Tavern only)</p> <p>Former manager's name _____</p> <p>New manager's name _____</p> <p>(b) Date of Employment _____</p> <p>Has manager ever managed a liquor licensed establishment?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Does manager have a financial interest in any other liquor licensed establishment?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If yes, give name and location of establishment _____</p>
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MODIFY PREMISES OR ADDITION OF OPTIONAL PREMISES OR RELATED FACILITY	<p>9. Modification of Premises, Addition of an Optional Premises, or Addition of Related Facility</p> <p>NOTE: Licensees may not modify or add to their licensed premises until approved by state and local authorities.</p> <p>(a) Describe change proposed _____</p> <p>_____</p> <p>(b) If the modification is temporary, when will the proposed change:</p> <p>Start _____ (mo/day/year) End _____ (mo/day/year)</p> <p>NOTE: THE TOTAL STATE FEE FOR TEMPORARY MODIFICATION IS \$300.00</p> <p>(c) Will the proposed change result in the licensed premises now being located within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?</p> <p>(If yes, explain in detail and describe any exemptions that apply) Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(d) Is the proposed change in compliance with local building and zoning laws?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(e) If this modification is for an additional Hotel and Restaurant Optional Premises or Resort Complex Related Facility, has the local authority authorized by resolution or ordinance the issuance of optional premises?</p> <p>..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(f) Attach a diagram of the current licensed premises and a diagram of the proposed changes for the licensed premises.</p> <p>(g) Attach any existing lease that is revised due to the modification.</p>
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OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature 	Title MANAGING PARTNER	Date 2016.05.05
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REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY / COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the applicable provisions of Title 12, Articles 46 and 47, C.R.S., as amended. **THEREFORE, THIS APPLICATION IS APPROVED.**

Local Licensing Authority (City or County) TOWN of Eagle	Date filed with Local Authority May 5, 2016	
Signature 	Title TOWN CLERK	Date

REPORT OF STATE LICENSING AUTHORITY

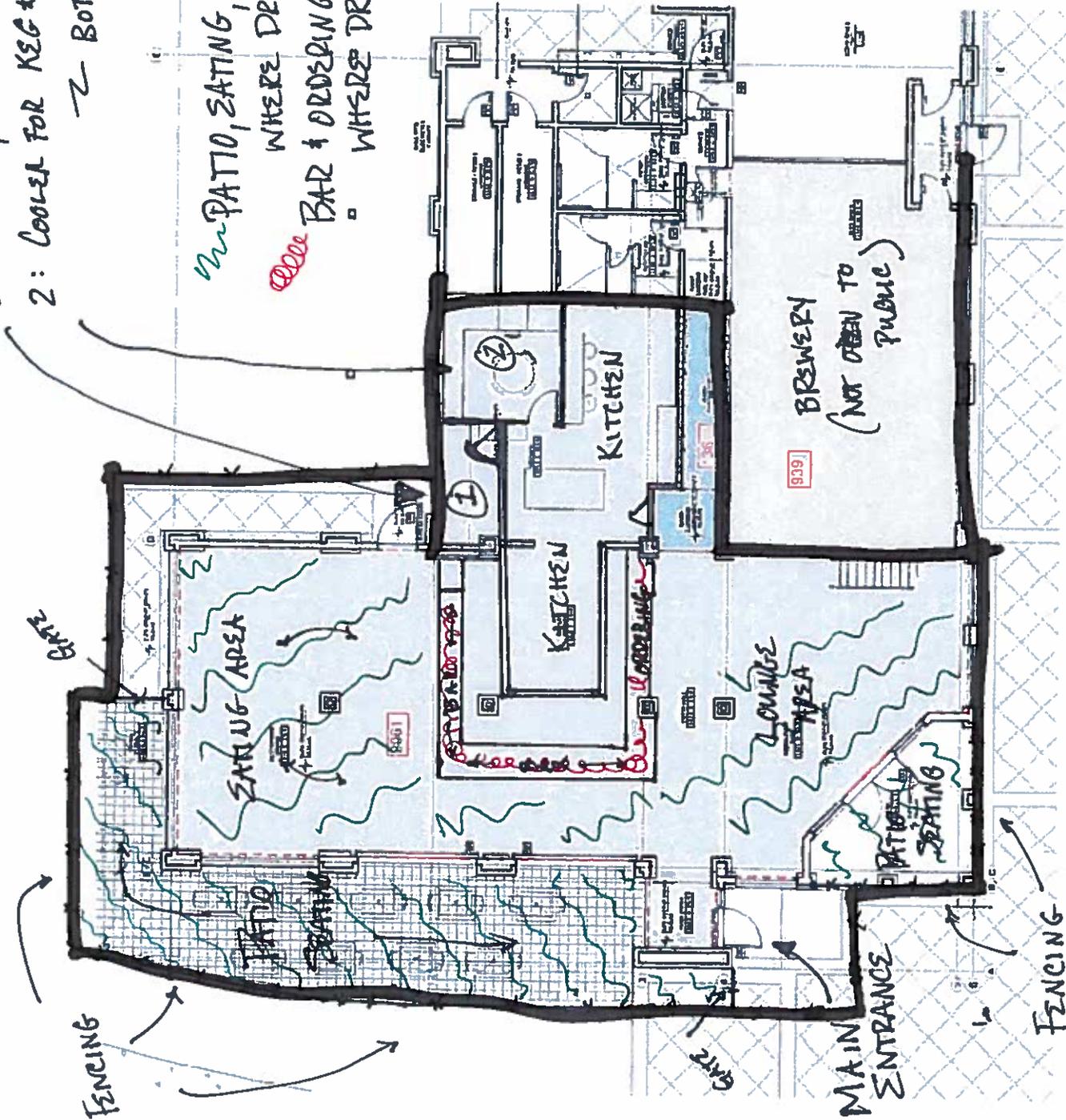
The foregoing has been examined and complies with the filing requirements of Title 12, Article 47, C.R.S., as amended.

Signature	Title	Date
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1: LIQUOR/WINE STORAGE

2: COOLER FOR KEG + CAN/BOTTLE BEER STORAGE
- BOTH HAVING LOCKABLE DOORS

2: PATIO, EATING, + LOUNGE AREAS (GREEN SQUIGGLIES)
WHERE DRINKS POSSESSED/CONSUMED
BAR + ORDERING COUNTER (RED SQUIGGLIES)
WHERE DRINKS SERVED.



WILL PROBABLY HAVE FENCING NOT HAVE MULTIPLE 90° BENDS
+ GO TO CORNER ... HE WILL GO WITH WHAT IS MORE AESTHETIC.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease"), dated to be effective the 24 day of Feb., 2016 (the "Effective Date"), is made by and between NO REGRETS LLC, Colorado limited liability company and its successors or assigns ("Landlord"), and 7 HERMITS BREWING COMPANY LLC. ("Tenant").

1. Description of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that portion of certain real property owned by Landlord located at 1020 Capitol Street, 1020 Capitol Street Condominiums, Eagle, Colorado 81631, generally consisting of +/-4,036 square feet, a portion of Unit C-2 and a portion of Unit C-1 depicted on Exhibit A attached hereto (the "Premises").

a. Initial Term. The initial term of this Lease (the "Initial Term") shall commence on June 1, 2016 (the "Commencement Date").

The Initial Term shall end at the expiration of sixty (60) months after the Commencement Date, unless sooner terminated or extended pursuant to the terms of this Lease, except that if the Commencement Date is other than the first day of a calendar month, the Initial Term of this Lease shall end twelve (12) months after the last day of the calendar month during which the Commencement Date occurs, unless sooner terminated or extended pursuant to the terms of this Lease.

The Initial Term may be referred to as Lease Years 1 through 5 (as "Lease Year" is defined in Section 2(c) below).

Option Period. Tenant shall have the option to extend the Term (as hereinafter defined) of this Lease for two option periods of five (5) years each (the "Option Period"), commencing the day immediately following the expiration of the Initial Term.

Tenant shall exercise the Option Period by giving written notice to Landlord in accordance with this Lease at least three (3) months before the expiration of the Initial Term; provided, however, that Tenant's option to extend the Term shall not expire unless Landlord shall have given Tenant notice of Tenant's failure to timely exercise said option and Tenant shall not have exercised said option within twenty (20) days thereafter.

The Initial Term and the Option Period (to the extent such option is exercised by Tenant) may hereinafter be collectively referred to as the "Term."

b. Lease Year. As used in this Lease, the term "Lease Year" shall be defined as follows:

For the first Lease Year, the period beginning on the Commencement Date and ending twelve (12) months thereafter, except that if the Commencement Date is other than the first day of a calendar month, the first Lease Year shall end twelve (12) months from the last day of the calendar month during which the Commencement Date occurs.

For the Lease Years after the first Lease Year, the twelve (12) month period beginning on the next day following the expiration of the preceding Lease Year.

If the Term of this Lease shall end prior to the last day of a Lease Year, the final Lease Year under this Lease shall be deemed to end on the day the Term of this Lease ends.

2. Rent. Rent shall be in the amount of \$17.67 per square foot or \$5943.01 per month, gross, for Lease Year 1. Rent shall be in the amount of \$21.67 per square foot or \$ 7288.34 per month, gross, for Lease Year 2. Rent shall be in the amount of \$22.67 per square foot or \$ 7624.68 per month, gross, for Lease Years 3-5. Rent shall be payable monthly in advance as described below, on or before the 10th

day of each month during the Term of this Lease to Landlord at the address set forth herein ("Rent"). Payment of Rent shall commence on the Commencement Date. and Landlord may adjust the Rent annually for sole purposes of adjusting for CAM expenses. CAM is currently \$9.84 per square foot, and includes Common Area Maintenance of the Exterior of the Premises, Landscaping, Common Heating system, Roof, and Foundation, all common charges for gas, electrical, water and sewer, trash, snow removal, Common Taxes, and Common Insurance. Tenant and Landlord agree to set gas, water and electric meters for these spaces so tenant will be responsible for their own expenses with these utilities and CAM has been adjusted downward to reflect this arrangement. Landlord shall provide Tenant with no less than two (2) months notice of any Rent increases, and shall itemize the expenses covered by such CAM charges in writing to Tenant. Notwithstanding the foregoing, Landlord shall provide any such notice of increased CAM/Rent to Tenant at least one month prior to Tenant's required notice date(s) to exercise option(s) to extend this Lease. Tenant shall be responsible for costs of telephone, tv and internet services, and for costs of cleaning the Premises including common bathrooms.

Upon lease signing and payment of 50% security deposit, tenant will have access to the space immediately, and landlord will grant this access *as rental at no charge*, provided tenant provides proof of insurance prior to utilizing the space. Tenant shall be allowed to open for Retail Operations prior to the Commencement of Rent.

3. Provisions Generally Applicable to Rent. All Rent shall be paid without notice (except as expressly provided herein), demand, set-off or deduction (except as otherwise provided in this Lease), in lawful money of the United States of America, at the address of Landlord set forth in the notice section below or at such other place as Landlord may from time to time designate in writing. All sums payable by Tenant under or pursuant to this Lease, other than Rent, shall be in addition to and not a part of or in lieu of Rent.

Tenant shall not make and Landlord shall not credit Tenant for any payment of Rent made in advance, other than the usual prepayment of any such rent as would result from Landlord's acceptance on the first day of each month of the rent for the ensuing month.

4. Tenant's Use and Covenants. The Premises shall be used only for a restaurant/brewery and bar. Tenant shall not use the Premises for any other purpose, including any purpose prohibited by the laws of the United States or the State of Colorado, or of the ordinances of the county or town in which the Premises is located. Tenant shall obtain all licenses and permits required by applicable laws, regulations and ordinances for Tenant's use. Tenant shall not permit any portion of the Premises to be used in a manner which may endanger the person or property of Landlord, co-tenants or any person living on or near the Premises. Tenant shall not make any alterations or additions to the Premises without Landlord's written approval and shall comply with the terms of the Condominium Declaration of 1020 Capitol Street and the bylaws and rules and regulations of 1020 Capitol Street Condominium Association.

5. Alterations and Additions to Premises: Tenant intends to install finishes and equipment including but not limited to a floor drain, one three bay sink, one hand sink, one dump sink, a bar, kitchen facilities including stoves, ovens, refrigerators, brewing equipment, cold room, ventilation stack, walls to finish kitchen area, brew kettle and exhaust, and a kitchen hood, both of which will require roof penetrations. Tenant further intends to penetrate the wall to create a doorway into the C2 space from the C1 space. An Improvements Agreement documenting the full plans of the proposed improvements shall be provided by Tenant prior to commencement of improvements which shall be appended to, and made a part of this Lease. Such agreement shall further identify all such improvements and equipment that shall be removed by Tenant at the conclusion of the Lease, and which improvements must be reversed, bringing that part of the building to "original" condition. Timely approval by Landlord of such agreement after submission to Landlord shall not be unreasonably withheld.

6. **Repairs/Maintenance.** Tenant shall further maintain the interior of the Premises in good repair and condition, and return the Premises to Landlord in the same condition as the Premises was received by Tenant, ordinary wear and tear excepted. Other exceptions to the foregoing include any items agreed to in the Improvements Agreement referred to in paragraph 5 of this Lease. Landlord has no duty to reimburse Tenant for any repairs performed by Tenant or at Tenant's direction, it being understood that all normal and routine maintenance, repairs and replacements to the Premises during the term shall be Tenant's responsibility. Tenant accepts the condition of the Premises (including furniture, fixtures and equipment, if any) in its current condition. In the event Tenant fails to make necessary maintenance, repairs or replacements to the Premises, Landlord, after providing notice to Tenant and five (5) days opportunity to repair the same (unless emergency circumstances exist in which case no notice or five (5) day period shall be required), Landlord may conduct such maintenance, repair or replacement, and Tenant shall reimburse Landlord for the cost of such maintenance, repair or replacement immediately upon demand. In the event any repair is necessitated by a casualty covered by insurance carried by Landlord, Landlord and Tenant shall coordinate repair and reimbursement from insurance proceeds.

7. **Alterations.** Tenant accepts the Premises in their existing condition and *Landlord has an obligation to provide a credit of \$10,000 towards improvements to the Premises that will be credited over two months, equally toward the first two 2016 Rent payments.* Further, Landlord agrees, upon the Mutual Execution of this Lease and full payment of the Deposit by Tenant, to pay \$10,200 to the Town of Eagle toward the additional Tap Fees necessary for a 100 seat restaurant. Landlord further agrees to place a drop ceiling in the "kitchen" area and extend the water sprinklers as needed, at Landlord's expense. Tenant shall make no alterations, additions, improvements, repairs or changes in or to the Premises or any part or portion thereof, without the prior written consent of Landlord in the form of an Improvements Agreement. In the event that Landlord and Tenant are unable to agree in writing upon the items contained in the Improvements Agreement, Tenant shall deliver written notice of such condition to Landlord, who shall return all deposits to Tenant and this Lease shall be Void.

8. **Access to Premises.**

a. **Tenant's Rights.** By the grant of this Lease, Tenant has the right to use during the Term of this Lease, in common with Landlord, other occupants and owners of the 1020 Capitol Street Condominiums and others, those portions of the real property on which the Premises is located for its business purposes, subject to the terms and conditions of this Lease. Tenant acknowledges that the hallway and common bathrooms adjacent to the Premises will be shared and used by Landlord and its tenants and agrees to cooperate with its shared use.

b. **Landlord's Right of Entry.** Landlord and its agents shall have the right to enter the Premises during normal business hours after reasonable advance notice to Tenant by telephone or otherwise (except that no advance notice will be required in emergency circumstances), to examine the Premises, to show the Premises to prospective purchasers or lessees, and to make and perform such maintenance, repairs or improvements as Landlord may be required to perform under this Lease for the safety, improvement or preservation of the Premises. Landlord shall have the right from time to time to install, maintain, use, repair and replace utility lines, unexposed pipes, ducts, conduits and wires in and through the Premises. Landlord shall also be allowed to bring and keep upon the Premises all necessary materials, supplies and equipment, so long as such items are not stored on the Premises during the term of this Lease without Tenant's written consent. No such action by Landlord shall interfere with Tenant's use of the Premises.

9. **Security Deposit.** Tenant shall keep on deposit with Landlord two months of gross rent amount for lease years 3-5. 50% is to be paid at lease signing, and 50% to be paid June 1, 2016. This total amount of \$ 15,249.36, is a security deposit for the payment by Tenant of rent and other sums due under

this Lease and for the faithful performance of all the terms, conditions and covenants of this Lease. Landlord shall have the right to commingle such deposit with other funds of Landlord.

If at any time Tenant is in default in the performance of any provision of this Lease, Landlord may, but shall not be required to, use such deposit, or so much thereof as may be needed, in payment of any rent or any other sums due under this Lease that are in default, in reimbursement of any expense incurred by Landlord and in payment of the damages incurred by Landlord by reason of Tenant's default. In any such event, Tenant shall, within five (5) days after written demand from Landlord, immediately remit to Landlord an amount in cash to restore such deposit to its original amount. Notwithstanding the provisions above, if the claims of Landlord exceed the deposit provided for in this Section, Tenant shall remain liable for the balance of those claims. Landlord's rights under this Section shall be in addition to all its other rights and remedies.

In the event all of the deposit has not been utilized as described above, such deposit or as much of the deposit as has not been utilized by Landlord as permitted above, shall be refunded to Tenant, without interest, upon performance of this Lease by Tenant.

Landlord shall deliver the funds deposited by Tenant to the purchaser of Landlord's interest in the Premises in the event Landlord sells such interest, and upon such sale, Landlord shall be discharged from further liability with respect to the deposit. Tenant shall not assign or encumber or attempt to assign or encumber the deposit provided for in this Section except that Tenant may transfer such deposit in the event of a permitted assignment of this Lease.

10. [INTENTIONALLY OMITTED]

11. Pets. Pets shall not be permitted in the interior of the Premises without the prior permission of Landlord, except that pets shall be allowed in the outdoor (patio) areas of the Premises. Tenant agrees to keep outdoor areas clean and free of dog mess, should Tenant decide to allow dogs in these areas.

12. Insurance. Landlord shall maintain property and casualty insurance upon the Premises as Landlord shall determine. Tenant shall carry renter's insurance to cover any loss to Tenant's personal property located on the Premises, and in no event shall Landlord have any liability for any loss to Tenant's personal property.

13. Subordination. This Lease is subject and subordinate to all present and future mortgages or deeds of trust affecting the Premises, and to any and all advances made, or that may be made on account of any such mortgage, or deed of trust, to the full extent of the principal sum or sums secured, or intended to be secured, and the interest on them. Tenant covenants, upon the request of Landlord, or any owner of the Premises at the time, to execute and deliver any and all instruments that Landlord or the then owner may deem necessary or advisable to be executed in respect of this paragraph. Upon the failure of the Tenant to execute and deliver any and all such instruments, Landlord or the then owner of the Premises is empowered to execute and deliver any such instrument or instruments in the name of and on behalf of Tenant.

14. Assignment/Subletting. Tenant shall not let, sublet, transfer, assign or otherwise in any way alienate, encumber, hypothecate or suffer the Premises, or any part or portion thereof, to be used by others without the prior written consent of Landlord, which may be withheld or granted in Landlord's sole discretion. Notwithstanding the foregoing, Tenant shall be permitted to allow other companies to utilize or sublet the proposed "kitchen" space during the term of this Lease without Landlord's further written consent to assist the function of their business.

15. **Liens.** Tenant agrees not to permit any judgment, attachment and/or lien (an "Encumbrance") to be filed against Landlord or on the Premises. Should any Encumbrance arising from Tenant's use of the Premises or Tenant's actions be filed against Landlord or on the Premises, Tenant shall within fifteen (15) days cause such Encumbrance to be removed by payment in full, substitution of collateral or otherwise; however, Tenant shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien, on the conditions that (i) Tenant shall give to Landlord such security as may be reasonably requested by Landlord to insure the payment of any amounts claimed, including interest and costs, and to prevent any sale, foreclosure or forfeiture of any interest in the Premises on account of any such lien, and (ii) on final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered, with interest and costs, and will cause the lien to be released and any judgment satisfied.

16. **Compliance With Laws.** Tenant shall, at its sole cost and expense, comply with all laws pertaining to its use of the Premises and shall faithfully observe all laws in the use of the Premises.

17. **Damage or Destruction.** If the Premises shall be damaged or destroyed by fire or other casualty ("Damage"), Landlord shall, within thirty (30) days of the occurrence of such casualty, commence, in good faith and with reasonable diligence, to repair or rebuild the Premises to its condition immediately prior to such damage or destruction and shall complete same within a reasonable time thereafter. In the event Landlord has not commenced to so repair or rebuild the Premises after Tenant has given Landlord thirty (30) days written notice to undertake appropriate repairs, Tenant may terminate the Lease, in which event the parties shall be released from further liability. In the event the insurance proceeds are insufficient to cover the costs of the repairs or rebuilding, the excess costs shall be borne by Landlord, which costs shall be deducted from the Rent. In the event the repair or rebuilding of the Premises has not been completed by Landlord within a period of ninety (90) days from the date of the Damage, or if the Damage occurs within the last year of the Term regardless of the time necessary to complete the repair or rebuilding, Tenant may, at its option, terminate the Lease and the parties shall be released from further liability. During any period that the damage or destruction is such as to render the use of the Premises impractical or impossible, as determined by Tenant, the Rent and other charges payable by Tenant shall abate.

18. **Condemnation.** If any portion of or interest in the Premises shall be permanently or temporarily taken under any right of eminent domain or any transfer in lieu thereof (a "Taking"), and such Taking renders the Premises unsuitable in the reasonable judgment of Tenant for Tenant's use, Tenant may terminate this Lease by notice to Landlord within thirty (30) days after such Taking deprives Tenant of possession of any portion of the Premises or of any other rights of Tenant under this Lease. Nothing contained herein shall prevent Landlord and Tenant from prosecuting claims in any condemnation proceedings for the values of their respective interest and Tenant shall have the exclusive right to claim any proceeds for the taking of Tenant's trade fixtures, equipment or personal property and for relocation expenses.

Landlord represents and warrants that, at the Effective Date, it has no actual or constructive knowledge of any proposed condemnation that would affect the Premises.

19. **Indemnification.** Tenant agrees as follows:

a. To indemnify and hold Landlord, Landlord's agents, employees, successors and assigns harmless and against any and all claims, demands, liabilities, and expenses, including attorneys' fees and litigation expenses arising out of (i) Tenant's use of the Premises or use by its agents, employees, contractors, sublessees, invitees or guests, except to the extent same arises out of the negligent or intentional act or omission of Landlord, and (ii) any Encumbrance filed against Landlord or the Premises arising out of Tenant's actions or use of the Premises;

To neither hold, nor attempt to hold, Landlord, Landlord's agents, employees, successors and assigns liable for any injury or damage, either proximate or remote, except to the extent that such injury or damage shall be caused by the gross negligence or intentional misconduct of the Landlord; nor for any damage arising from any acts, omissions or negligence of any other persons.

20. End of Term. Upon the expiration or earlier termination of this Lease, or on the date specified in any demand for possession by Landlord after any default by Tenant, Tenant covenants and agrees to surrender possession of the Premises to Landlord, in the same condition as when Tenant first occupied the Premises, with the exception of those items modified by the Improvements Agreement, ordinary wear and tear also excepted.

21. Holding Over. If Tenant shall hold over the expiration of the Term of this Lease, without written agreement providing otherwise, Tenant shall be deemed to be a tenant from month to month, at a monthly rental, payable in advance, equal to the monthly Rent payable during the last year of the Initial Term or Option Period (as applicable) of this Lease, and Tenant shall be bound by all of the other terms, covenants and agreements of this Lease. Nothing contained herein shall be construed to give Tenant the right to hold over at any time, and Landlord may exercise any and all remedies at law or in equity to recover possession of the Premises, as well as any damage incurred by Landlord, due to Tenant's failure to vacate the Premises and deliver possession to Landlord as provided in this Lease.

22. Notice. All notices, demands, or other communications of any type given by Landlord to Tenant or by Tenant to Landlord, whether required by this Lease or in any way related to the transaction contracted for herein, shall be void and of no effect unless given in accordance with the provisions of this Lease. All notices shall be legible and in writing and shall be delivered to the person to whom the notice is directed, either in person or sent by telecopier transmission (as evidenced by a machine generated confirmation) or sent by a recognized overnight courier service for next day delivery or by United States certified mail, return receipt requested, postage prepaid and addressed to the parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt if delivered personally or upon an electronically generated receipt if delivered by telecopier, (b) one (1) business day after depositing with such an overnight courier service, or (c) three (3) business days after deposit in the mails if mailed, addressed to Landlord or Tenant. All notices shall be made to the following address, and either party hereto may change such address by giving the other party ten (10) days advance written notice of such change of address:

To Tenant: 7 Hermits Brewing Company LLC.
Post Office Box 3186
Eagle, Colorado 81631

To Landlord: No Regrets LLC
Attention: Kyle Webb
710 West Lionshead Circle
Vail, Colorado 81657

23. Default. If Tenant shall be in arrears in the payment of any Rent, or any portion thereof, or in default of any other covenants or agreements set forth in this Lease and the default of such other non-payment covenants or agreements remains uncorrected for a period of five (5) days after the Landlord has given written notice thereof ("Default"), then the Landlord may, at the Landlord's option, undertake any of the following remedies without limitation: (a) declare the term of the Lease ended; (b) terminate the Tenant's right to possession of the Premises and reenter and repossess the Premises pursuant to applicable

provisions of the Colorado Forcible Entry and Detainer Statute; (c) recover all present and future damages, costs and other relief to which the Landlord is entitled; (d) pursue Landlord's lien remedies; (e) pursue breach of contract remedies; and/or (f) pursue any and all available remedies in law or equity.

24. **No Waiver/Setoff.** Any waiver, by either party of any breach of any provision of this Lease shall not be considered to be a continuing waiver or a waiver of a subsequent breach of the same or a different provision of this Lease. The covenants set forth herein shall be deemed to be independent. The Tenant shall have no right to withhold or set off any rent or other amounts due the Landlord.

25. **Real Estate Brokers.** Tenant has represented to the Landlord that a real estate broker represents them. Landlord will pay a 3% of the initial 5 year net lease (3% of \$234,693.40) or \$7040.80 to David Nudell, Broker/Owner of Vail Valley Real Estate, Inc. Commission is payable upon Mutual Execution of Lease, and 100% receipt of tenant deposit.

26. **Attorneys' Fees.** In the event any dispute arises concerning the terms of this Lease or the non-payment of any sums under this Lease, and the matter is turned over to an attorney, the party prevailing in such dispute shall recover, in addition to other damages and costs, reasonable attorneys' fees from the other party.

27. **Binding Effect.** Subject to the provisions and limitations hereof, this Lease when fully executed shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the parties.

28. **Severability.** The unenforceability of any provision or provisions of this Lease shall not affect the enforceability of any other provision or provisions herein and all other parts of this Lease shall remain in full force.

29. **Entire Agreement; Modifications.** This Lease contains the entire agreement between the parties. No modification, alteration or amendment of the Lease shall be binding unless in writing and executed by the parties.

30. **Survival.** The representations, warranties and indemnities contained in this Lease shall survive the termination of this Lease.

31. **Performance.** Time is of the essence of this Lease and each provision; provided, however, if the date of any period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of the United States of America, the final date of such period shall be extended to the next business day.

32. **Governing Law.** This Lease shall be governed by and construed and interpreted in accordance with the laws of the State of Colorado.

33. **Number and Gender.** The term "Tenant" in this Lease, or any pronoun used in place of that term, shall include the masculine, feminine, singular, plural, individuals, partnerships or corporations where applicable.

34. **Counterpart; Facsimile Signatures.** This Agreement may be executed in counterparts, which when taken together will evidence the agreement of the parties. Facsimile signatures shall be considered as binding as original signatures.

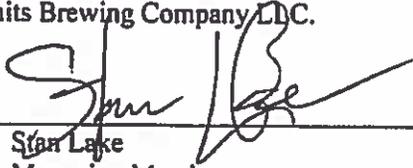
[remainder of page intentionally blank; signature page follows]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed on the Effective Date set forth above.

TENANT:

7 Hermits Brewing Company LLC.

By: _____


Stan Lake
Managing Member

LANDLORD:

No Regrets LLC,
a Colorado limited liability company

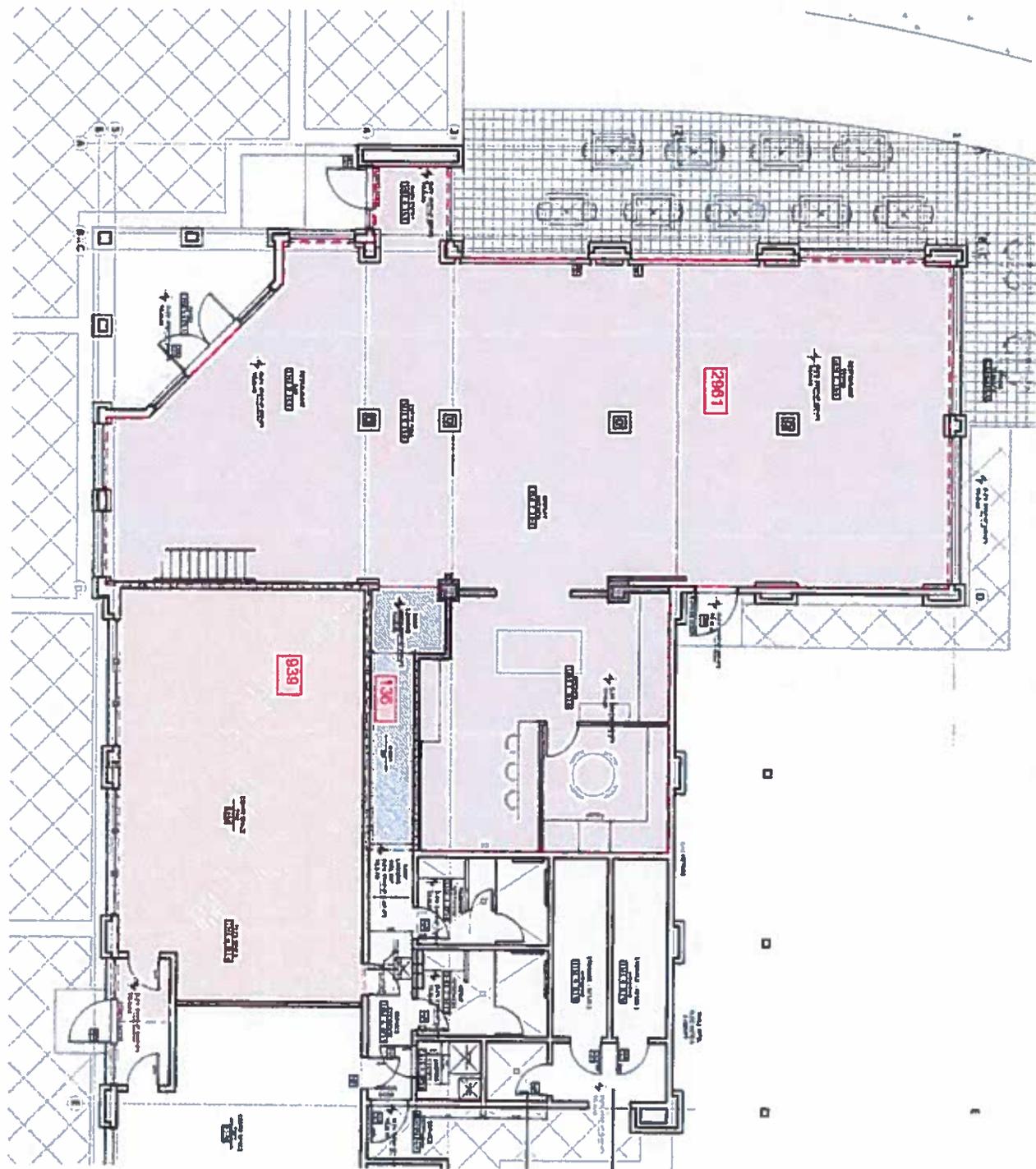
By: _____


Kyle H. Webb
Manager

**EXHIBIT A
TO
LEASE AGREEMENT**

Depiction of the Premises

See Attached.



ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE (this "Addendum"), made this 21 day of Feb, 2016 is to that certain Lease dated 2.24, 2016 (the "Lease") by and between Norquest LLC ("Landlord"), and J. Herwitz B.C. ("Tenant") and regarding the lease of premises located at 1020 Capital St., Eagle Colorado 81631 (the "Premises").

The parties hereto desire to agree to additional provisions to the Lease. To the extent that the terms and provisions of this Addendum conflict with, modify or supplement portions of the Lease, the terms and provisions contained in this Addendum shall govern and control the rights and obligations of the parties. Any capitalized term used in this Addendum not otherwise defined herein shall have the meaning as defined in the Lease. The parties agree to the following modifications and additional provisions:

Right of First Refusal

1. Duration of Right of First Refusal. Landlord desires to grant to Tenant, for a period concurrent with the Term of the Lease, including the Option Term, if any, a right of first refusal to purchase the Premises on the terms and conditions set forth below.

2. Grant of Right of First Refusal. Tenant shall have the right (the "Right of First Refusal") to purchase the Premises on the same terms and conditions as those of any bona fide written offer from a third party for the purchase of the Premises (the "Offer") acceptable to Landlord. If, during the term of this Right of First Refusal, Landlord receives an Offer that it is willing to accept, then, prior to accepting the Offer, Landlord shall deliver a copy of the Offer to Tenant. Tenant shall then have the right to acquire the Premises on the same terms and conditions as are in the Offer. Tenant shall have a period of ten (10) days after receipt of the copy of the Offer to exercise the Right of First Refusal.

a. Exercise of Right of First Refusal. Tenant shall exercise the Right of First Refusal, if at all, by written notice to Landlord of its election to exercise such right. If Tenant exercises the Right of First Refusal, the closing of the sale of the Premises to Tenant shall occur on the date specified in the Offer or the first business day occurring thirty (30) days after the date of Tenant's notice of exercise, whichever is later.

b. Waiver of Right of First Refusal. If, within ten (10) days after Tenant has received a copy of an Offer, Tenant does not give written notice to Landlord that Tenant desires to purchase the Premises, then the following shall apply:

i. Tenant shall be conclusively deemed to have waived the Right of First Refusal with respect to the particular Offer, and the Premises may be sold or transferred by Landlord to the third party that delivered the Offer.

ii. If, thereafter, Landlord attempts to sell or transfer, or actually sells or transfers, the Premises on any terms that are materially different from the terms and conditions of the Offer, then (1) any actual sale or transfer of the Premises shall be null and void ab initio, (2) the terms of such attempted or actual sale or transfer shall be conclusively considered to be terms of a new Offer, and (3) the Premises shall once again be subject to the Right of First Refusal based on the new Offer.

c. Certificate of Compliance with Right of First Refusal Requirements. If, pursuant to this Section 2, Tenant has waived the Right of First Refusal with respect to particular Offer, then Tenant shall, upon written request, execute and deliver to any requesting party an instrument in recordable form evidencing the compliance of Landlord with the terms of the Right of First Refusal.

3. Runs with the Land/Binding and Benefit/Successors and Assigns. All covenants, agreements and other provisions of this Addendum, including but not limited to the burdens hereof, shall be binding upon the parties hereto and shall run with title to the Premises until the expiration date as described in Section 1 above.

4. Remedies Cumulative. If a party breaches any of the covenants or agreements of this Addendum, the other party shall be entitled to exercise any and all remedies available at law or in equity on account of such breach, including without limitation specific performance and injunctive relief. No remedy provided for in this Addendum shall be considered to exclude or suspend any other remedy, but the same shall be cumulative with and shall be in addition to every other remedy provided for in this Addendum and available at law and in equity, and every remedy provided for in this Addendum and available at law and in equity may be exercised from time to time consecutively or concurrently and so often as occasion may arise.

6. Performance.

(a) Time of the Essence. Time is of the essence in regard to the obligations of Landlord and Tenant.

(b) Remedies for Tenant Default. If Tenant fails to perform any of Tenant's obligations under this Addendum at the time and in the manner set forth, then Landlord may, as its sole remedy, terminate this Addendum and the rights of Tenant hereunder.

(c) Remedies for Landlord's Default. If Landlord fails to perform any of Landlord's obligations under this Addendum, (i) Tenant may elect to treat this Addendum as terminated, and neither party will have any further obligations under this Addendum, or (ii) Tenant may elect to treat this Addendum as being in full force and effect, in which case Tenant's remedy will be an action for damages or for specific performance, or both.

(d) Attorneys' Fees. Should any action be brought to enforce or interpret this Addendum, the prevailing party in such action will be entitled to receive all of such party's reasonable costs and expenses, including reasonable attorneys' fees, from the non-prevailing party.

7. General Matters.

(a) Headings. Headings used in this Addendum are for convenience of reference only and shall not affect the construction of any provision of this Addendum.

(b) Entire Agreement. The entire agreement of the parties with respect to the subject matter hereof is herein written and the parties are not bound by any agreements, understandings, conditions, or inducements otherwise than are expressly set forth and stipulated in this Addendum. No change, alteration, amendment, modification or waiver of any of the terms or provisions hereof shall be valid unless the same being writing and signed by the parties.

[Signature page follows]

EXECUTED to be effective as of the date first above written.

LANDLORD:

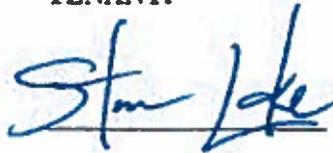


No. Regrets LLC

By: Kyle H. Webb, Mgr.

Its:

TENANT:



F HERMITS BREWING COMPANY LLC

By: STANLEY LAKE

Its: MANAGING PARTNER

STATE OF COLORADO }

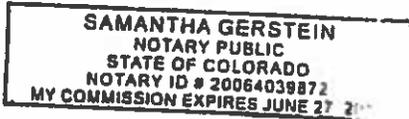
} ss.

COUNTY OF EAGLE }

The foregoing instrument was acknowledged before me this 24th day of February by _____ as _____ of _____.

My commission expires: June 27th 2019

[SEAL]



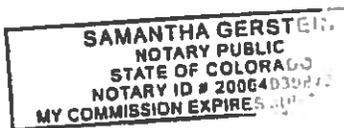
Samantha Gerstein
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 24th day of February by _____ as _____ of _____.

My commission expires: June 27th 2019

[SEAL]



Samantha Gerstein
Notary Public

LIMITED GUARANTY OF TENANT'S OBLIGATIONS

In consideration of the execution of the Lease Agreement (the "Lease") effective the 1st day of June, 2016, by No Regrets LLC, a Colorado limited liability company, or assigns, as Landlord, and 7 Hermits Brewing Company LLC as Tenant, covering that certain real property owned by Landlord described as 1020 Capitol Street, Part of Unit C-2 and Unit C-1, 1020 Capitol Street Condominiums, Eagle, Colorado 81631, generally consisting of 4,036 square feet and depicted on Exhibit A attached to the Lease (the "Property"), and other good and valuable consideration, receipt and adequacy whereof are hereby acknowledged, the undersigned Stan Lake (hereinafter "Guarantor") hereby individually, absolutely and unconditionally guarantees to Landlord and to Landlord's successors and assigns (a) 50% of the payment by Tenant of the rents less the CAM charges provided for in the Lease per Lease Year. (b) At the end of every Lease Year, the portion of this Limited Guarantee covering the previous Lease Year shall expire unless written notice of default shall be received by Tenant prior to the end of such Lease Year. (c) This Limited Guarantee is expressly limited to a maximum of 50% of Rent less CAM of one Lease Year, to be calculated, in the event of written notice of default to Tenant, in accordance with the Lease Year in which a default may occur. If Tenant is no longer occupying the Property, this Limited Guarantee shall not apply to any future Lease Years. (d) In the event that any written notice of default is received by Tenant in the fifth (5th) Lease year, this Personal Guarantee shall be limited to 50% of the outstanding rent due for the balance of that lease year, less CAM. (e) This Limited Guarantee shall expire and be of no further force or effect upon the commencement of any and all extensions of the Lease.

The liability of Guarantor shall not be affected by (a) any modification of the Lease or waiver by Landlord of performance of any term, condition or covenant thereof by Tenant; (b) the giving by Landlord of any extension of time of the performance of any of the obligations of Tenant under the Lease; (c) any forbearance or failure on the part of Landlord to enforce any of its rights under the Lease; (d) the release or discharge of Tenant in any creditors' receivership, bankruptcy or other proceedings; (e) the impairment, limitation or modification of the liability of Tenant or its estate in bankruptcy, or of any remedy of the enforcement of Tenant's liability under the Lease, resulting from the operation of the Bankruptcy Code or other statute, or from the decision of any court; (f) the rejection or disaffirmance of the Lease in any such proceedings or by any court wherein the Lease is questioned or challenged; (g) the assignment or transfer of the Lease by Tenant; (h) any disability or other defense of Tenant; or (i) the cessation from any cause whatsoever of the liability of Tenant.

Guarantor agrees to pay or reimburse all of Landlord's expenses, including its attorneys' fees, incurred or paid by Landlord in enforcing the obligations of this Guaranty.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the undersigned have executed this Guaranty effective as of the ___
day of February 24th, 2016.

GUARANTOR:

Stan Lake
STANLEY LAKE

STATE OF COLORADO)
COUNTY OF Eagle) ss.
)

The foregoing instrument was acknowledged before me this 24th day of February, 2016,
by Stanley Lake, an individual residing in the State of Colorado.

Witness my hand and official seal.
My commission expires:

[SEAL]

SAMANTHA GERSTEIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 20064039872
MY COMMISSION EXPIRES JUNE 27, 2019

Samantha Gerstein
Notary Public

LIMITED GUARANTY OF TENANT'S OBLIGATIONS

In consideration of the execution of the Lease Agreement (the "Lease") effective the 1st day of June, 2016, by No Regrets LLC, a Colorado limited liability company, or assigns, as Landlord, and 7 Hermits Brewing Company LLC as Tenant, covering that certain real property owned by Landlord described as 1020 Capitol Street, Part of Unit C-2 and Unit C-1, 1020 Capitol Street Condominiums, Eagle, Colorado 81631, generally consisting of 4,036 square feet and depicted on Exhibit A attached to the Lease (the "Property"), and other good and valuable consideration, receipt and adequacy whereof are hereby acknowledged, the undersigned Matt Marple (hereinafter "Guarantor") hereby individually, absolutely and unconditionally guarantees to Landlord and to Landlord's successors and assigns (a) 50% of the payment by Tenant of the rents less the CAM charges provided for in the Lease per Lease Year. (b) At the end of every Lease Year, the portion of this Limited Guarantee covering the previous Lease Year shall expire unless written notice of default shall be received by Tenant prior to the end of such Lease Year. (c) This Limited Guarantee is expressly limited to a maximum of 50% of Rent less CAM of one Lease Year, to be calculated, in the event of written notice of default to Tenant, in accordance with the Lease Year in which a default may occur. If Tenant is no longer occupying the Property, this Limited Guarantee shall not apply to any future Lease Years. (d) In the event that any written notice of default is received by Tenant in the fifth (5th) Lease year, this Personal Guarantee shall be limited to 50% of the outstanding rent due for the balance of that lease year, less CAM. (e) This Limited Guarantee shall expire and be of no further force or effect upon the commencement of any and all extensions of the Lease.

The liability of Guarantor shall not be affected by (a) any modification of the Lease or waiver by Landlord of performance of any term, condition or covenant thereof by Tenant; (b) the giving by Landlord of any extension of time of the performance of any of the obligations of Tenant under the Lease; (c) any forbearance or failure on the part of Landlord to enforce any of its rights under the Lease; (d) the release or discharge of Tenant in any creditors' receivership, bankruptcy or other proceedings; (e) the impairment, limitation or modification of the liability of Tenant or its estate in bankruptcy, or of any remedy of the enforcement of Tenant's liability under the Lease, resulting from the operation of the Bankruptcy Code or other statute, or from the decision of any court; (f) the rejection or disaffirmance of the Lease in any such proceedings or by any court wherein the Lease is questioned or challenged; (g) the assignment or transfer of the Lease by Tenant; (h) any disability or other defense of Tenant; or (i) the cessation from any cause whatsoever of the liability of Tenant.

Guarantor agrees to pay or reimburse all of Landlord's expenses, including its attorneys' fees, incurred or paid by Landlord in enforcing the obligations of this Guaranty.

[remainder of page intentionally blank]

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE (this "Addendum"), made this 21 day of Feb, 2016 is to that certain Lease dated 2.24, 2016 (the "Lease") by and between Norberto LLC ("Landlord"), and J. Henricks B.C. ("Tenant") and regarding the lease of premises located at 1020 Capital St., Eagle Colorado 81631 (the "Premises").

The parties hereto desire to agree to additional provisions to the Lease. To the extent that the terms and provisions of this Addendum conflict with, modify or supplement portions of the Lease, the terms and provisions contained in this Addendum shall govern and control the rights and obligations of the parties. Any capitalized term used in this Addendum not otherwise defined herein shall have the meaning as defined in the Lease. The parties agree to the following modifications and additional provisions:

Right of First Refusal

1. Duration of Right of First Refusal. Landlord desires to grant to Tenant, for a period concurrent with the Term of the Lease, including the Option Term, if any, a right of first refusal to purchase the Premises on the terms and conditions set forth below.

2. Grant of Right of First Refusal. Tenant shall have the right (the "Right of First Refusal") to purchase the Premises on the same terms and conditions as those of any bona fide written offer from a third party for the purchase of the Premises (the "Offer") acceptable to Landlord. If, during the term of this Right of First Refusal, Landlord receives an Offer that it is willing to accept, then, prior to accepting the Offer, Landlord shall deliver a copy of the Offer to Tenant. Tenant shall then have the right to acquire the Premises on the same terms and conditions as are in the Offer. Tenant shall have a period of ten (10) days after receipt of the copy of the Offer to exercise the Right of First Refusal.

a. Exercise of Right of First Refusal. Tenant shall exercise the Right of First Refusal, if at all, by written notice to Landlord of its election to exercise such right. If Tenant exercises the Right of First Refusal, the closing of the sale of the Premises to Tenant shall occur on the date specified in the Offer or the first business day occurring thirty (30) days after the date of Tenant's notice of exercise, whichever is later.

b. Waiver of Right of First Refusal. If, within ten (10) days after Tenant has received a copy of an Offer, Tenant does not give written notice to Landlord that Tenant desires to purchase the Premises, then the following shall apply:

i. Tenant shall be conclusively deemed to have waived the Right of First Refusal with respect to the particular Offer, and the Premises may be sold or transferred by Landlord to the third party that delivered the Offer.

ii. If, thereafter, Landlord attempts to sell or transfer, or actually sells or transfers, the Premises on any terms that are materially different from the terms and conditions of the Offer, then (1) any actual sale or transfer of the Premises shall be null and void ab initio, (2) the terms of such attempted or actual sale or transfer shall be conclusively considered to be terms of a new Offer, and (3) the Premises shall once again be subject to the Right of First Refusal based on the new Offer.

c. Certificate of Compliance with Right of First Refusal Requirements. If, pursuant to this Section 2, Tenant has waived the Right of First Refusal with respect to particular Offer, then Tenant shall, upon written request, execute and deliver to any requesting party an instrument in recordable form evidencing the compliance of Landlord with the terms of the Right of First Refusal.

3. Runs with the Land/Binding and Benefit/Successors and Assigns. All covenants, agreements and other provisions of this Addendum, including but not limited to the burdens hereof, shall be binding upon the parties hereto and shall run with title to the Premises until the expiration date as described in Section 1 above.

4. Remedies Cumulative. If a party breaches any of the covenants or agreements of this Addendum, the other party shall be entitled to exercise any and all remedies available at law or in equity on account of such breach, including without limitation specific performance and injunctive relief. No remedy provided for in this Addendum shall be considered to exclude or suspend any other remedy, but the same shall be cumulative with and shall be in addition to every other remedy provided for in this Addendum and available at law and in equity, and every remedy provided for in this Addendum and available at law and in equity may be exercised from time to time consecutively or concurrently and so often as occasion may arise.

6. Performance.

(a) Time of the Essence. Time is of the essence in regard to the obligations of Landlord and Tenant.

(b) Remedies for Tenant Default. If Tenant fails to perform any of Tenant's obligations under this Addendum at the time and in the manner set forth, then Landlord may, as its sole remedy, terminate this Addendum and the rights of Tenant hereunder.

(c) Remedies for Landlord's Default. If Landlord fails to perform any of Landlord's obligations under this Addendum, (i) Tenant may elect to treat this Addendum as terminated, and neither party will have any further obligations under this Addendum, or (ii) Tenant may elect to treat this Addendum as being in full force and effect, in which case Tenant's remedy will be an action for damages or for specific performance, or both.

(d) Attorneys' Fees. Should any action be brought to enforce or interpret this Addendum, the prevailing party in such action will be entitled to receive all of such party's reasonable costs and expenses, including reasonable attorneys' fees, from the non-prevailing party.

7. **General Matters.**

(a) **Headings.** Headings used in this Addendum are for convenience of reference only and shall not affect the construction of any provision of this Addendum.

(b) **Entire Agreement.** The entire agreement of the parties with respect to the subject matter hereof is herein written and the parties are not bound by any agreements, understandings, conditions, or inducements otherwise than are expressly set forth and stipulated in this Addendum. No change, alteration, amendment, modification or waiver of any of the terms or provisions hereof shall be valid unless the same being writing and signed by the parties.

[Signature page follows]

EXECUTED to be effective as of the date first above written.

LANDLORD:

[Signature]

No. Regrets LLC

By: Keke H. Webb, Mgr.

Its:

TENANT:

[Signature]

F HERMITS BREWING COMPANY LLC

By: STANLEY LAKE

Its: MANAGING PARTNER

STATE OF COLORADO }

} ss.

COUNTY OF EAGLE }

The foregoing instrument was acknowledged before me this 24th day of February by _____ as _____ of _____.

My commission expires: June 27th 2019

[SEAL]

SAMANTHA GERSTEIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 20064039872
MY COMMISSION EXPIRES JUNE 27 2019

Samantha Gerstein
Notary Public

STATE OF COLORADO }

} ss.

COUNTY OF EAGLE }

The foregoing instrument was acknowledged before me this 24th day of February by _____ as _____ of _____.

My commission expires: June 27th 2019

[SEAL]

SAMANTHA GERSTEIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 20064039872
MY COMMISSION EXPIRES JUNE 27 2019

Samantha Gerstein
Notary Public



NOTICE OF PUBLIC HEARING

Town of Eagle Liquor License Application Change of Location

Notice is hereby given that the Town of Eagle Board of Trustees, acting as the Local Liquor Licensing Authority, shall hold a public hearing on the application of 7 Hermits Brewing Company LLC dated May 5, 2016, requesting a Brew Pub License, located at 1020 Capitol Street Eagle, Colorado 81631. Said hearing will be held on June 7, 2016, at 5:30 p.m. in the Eagle Town Hall, 200 Broadway.

Jenny Rakow, CMC
Town Clerk

Published May 19, 2016 in the Vail Daily

THIS LICENSE EXPIRES October 24, 2016

License No. 503



License Fee \$750.00

STATE OF COLORADO
TOWN OF EAGLE

BY AUTHORITY OF THE BOARD OF TRUSTEES

RETAIL LIQUOR LICENSE

FOR Brew Pub

TO SELL AT RETAIL Malt, Vinous & Spirituous LIQUOR

7 HERMITS BREWING COMPANY LLC

THIS IS TO CERTIFY, That 7 HERMITS BREWING COMPANY LLC of the State of Colorado, having applied for a License to sell Malt, Vinous & Spirituous Liquors more than 3.2% of Alcohol by weight by the drink for consumption on the premises as a Brew Pub at 0717 Sylvan Lake Rd #B-1-01 in the Town of Eagle, Colorado for a period beginning on the 24th day of October, 2015, and ending on the 24th day of October, 2016, unless this License is revoked sooner as provided by law.

This License is issued subject to the Laws of the Sate of Colorado, and especially under the provisions of Article 47 of Title 12, Colorado Revised Statutes, as amended and the Ordinances of the Town of Eagle, insofar as the same may be applicable.

IN TESTIMONY WHEREOF, The Board of Trustees has hereunto subscribed its name by its officers duly authorized this 9th day of November, 2015.

ATTEST:

TOWN CLERK

THE BOARD OF TRUSTEES OF THE TOWN OF EAGLE, COLORADO

BY: MAYOR

TO BE POSTED IN A CONSPICUOUS PLACE

THIS LICENSE MUST BE POSTED IN PUBLIC VIEW

DR 8402 (07/01/2012)

**STATE OF COLORADO
DEPARTMENT OF REVENUE**

LIQUOR ENFORCEMENT DIVISION

1881 Pierce Street, Suite 108
Lakewood, Colorado 80214

**7 HERMITS BREWING COMPANY LLC
dba 7 HERMITS BREWING COMPANY
0717 SYLVAN LAKE RD #B-1-01
EAGLE CO 81631**

ALCOHOL BEVERAGE LICENSE

Liquor License Number 4702004	License Expires at Midnight October 24, 2016
License Type BREW PUB (CITY)	
Authorized Beverages MALT, VINOUS, AND SPIRITUOUS	

This license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Articles 46 or 47, CRS 1973, as amended. This license is nontransferable and shall be conspicuously posted in the place above described. This license is only valid through the expiration date shown above. Any questions concerning this license should be addressed to: Colorado Liquor Enforcement Division, 1881 Pierce Street, Suite 108, Lakewood, CO 80214.

In testimony whereof, I have hereunto set my hand. 11/4/2015 CRC

Patrick Marouf

Division Director

Barbara J. Broke

Executive Director