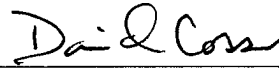


1 in an amount of four hundred eighty-seven dollars (\$487.00) per month.

2 D. The Lessee is Daisy Lay II, LLC, 365 ½ Garcia Street, No. 2, Santa Fe, New Mexico
3 87501.

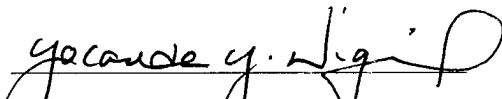
4 E. Purpose of the Lease. The purpose of the lease is for the Lessee to use and occupy
5 the premises for a parking area appurtenant to restaurant at 2571 Cristo's Road, as more fully
6 described under the Lease Agreement.

7 PASSED, APPROVED, and ADOPTED this 9th day of November, 2011.

8
9 

10 DAVID COSS, MAYOR

11 ATTEST:

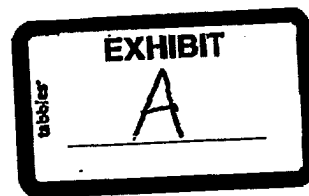
12
13 
14 YOLANDA Y. VIGIL, CITY CLERK

15
16 APPROVED AS TO FORM:

17
18 

19 GENO ZAMORA, CITY ATTORNEY

LEASE AGREEMENT
BETWEEN THE CITY OF SANTA FE
AND DAISY LAY II, LLC



This LEASE AGREEMENT is made and entered into this 28th day of January, 2012, by and between the City of Santa Fe, a Municipal Corporation, ("Lessor") and Daisy Lay II, LLC ("Lessee").

WITNESSETH:

In consideration of the Lessee's promises herein, Lessor hereby leases to the Lessee the property of the Lessor identified as follows:

1. PREMISES

Subject to the terms and conditions of this Lease Agreement, the Lessor allows the Lessee to use and occupy, subject to all of the terms and conditions hereinafter stated, that certain portion of the City public right-of-way within Camino Entrada, Santa Fe, NM. The leased property ("Premises") consists of approximately four thousand sixty seven (4067) square feet, all as more fully described and shown on Exhibit "A" attached hereto and made a part hereof. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises or as to the use, which may be made thereof.

2. USE OF PREMISES

Lessor agrees to allow the Lessee use of the premises for the purpose additional parking for the patrons of adjoining restaurant. No further use of the Premises shall be allowed except those actions necessary for use and maintenance of the area at the sole and exclusive expense of the Lessee. The use of the Premises is also subject to the following conditions:

- (a) No other commercial use of the Premises, including but not limited to,

the sale or display of merchandise or installation of advertising signage shall be permitted;

- (b) Adequate lighting, acceptable to the City Manager, to be provided at the Lessee's expense within the Premises.
- (c) Lessee shall comply with all local codes and regulations and any violations shall be considered grounds for termination of this Agreement;
- (d) All rental payments shall be made to the Lessor by means of cash, cashiers check, money order, or by credit card, no personal checks shall be accepted;
- (e) Leased premises is subject to rights for utility and access purposes by Lessor and others.

3. LEASE TERM

The term of this Lease Agreement shall be for a five (5) year term, commencing January 28, 2012 through January 27, 2017, unless sooner terminated as provided herein. At the end of the five years, the agreement can be renewed with sixty days written notice. In the event Lessee shall remain in possession of the Premises after the expiration of the term of this Lease Agreement, initial or subsequent term(s) of this Lease, such possession may, at the sole option of Lessor, will continue to be a month-to-month tenancy. During any such month-to-month tenancy, the rent shall be prorated and payable on a monthly basis in advance of the first day of each month, and the terms and conditions of the Lease shall be otherwise applicable.

4. RENT

Rent shall be paid as follows:

A. Base Rent. Lessee shall pay four hundred eighty-seven dollars (\$487.00) per month as base rent, beginning on January 28, 2012, and due each month on

beginning date each month, for the five years ending on January 27, 2017, without notice or demand and without deduction or offset for any cause whatsoever. Lessee shall make all payments of rent each year before anniversary date to the Lessor's Cashier Office, Room 114, 200 Lincoln Ave., Santa Fe, NM.

B. Increases in Base Rent. Commencing the second year of the term of this Lease Agreement, or any renewal thereof, the annual rent shall be adjusted by multiplying the previous year's annual rent by the sum of one and the change over the most recent 12 months in the Consumer Price Index ("CPI") seasonally adjusted U.S. City Average for All Urban Consumers published monthly in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor (hereinafter, the "CPI-U").

C. In no event shall there be a decline in the rent from year to year as a result of the adjustment provided for in Paragraph B hereof.

5. PENALTY FOR LATE PAYMENT OF RENT

In the event the yearly rent is not received by Lessor on or before the anniversary date of this Agreement each year due, Lessee shall pay a penalty of one and one half percent (1 ½ %) of the rent due for each 30 day period or fraction thereof that the rent payment is outstanding.

6. CANCELLATION BY LESSOR

Upon Lessee's failure to comply with a provision of this Lease Agreement, Lessor may cancel this Lease Agreement. Prior to cancellation, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying (1) the breach; (2) the action required to cure the breach; (3) a date, not less than fifteen (15) days from the date the notice is delivered to Lessee, by which such breach must be cured; and (4) that failure

to cure such breach on or before the date specified in the notice will result in termination of the Lease.

7. ASSIGNMENT OR SUBLEASE

Lessee shall not transfer or assign in whole or in part, its rights and obligations under this Lease Agreement. Any such actions taken by Lessee shall result in immediate termination of this Lease Agreement.

8. INSURANCE

A. The Lessee at its own cost and expense, shall carry and maintain in full force and effect during the term of this Lease Agreement comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the Lessor, with limits of coverage in the maximum amount which the Lessor could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the Lessor is named as an additional insured and that Lessor will be notified within 10 days of cancellation for any reason. The Lessee shall furnish the Lessor with a copy of a "Certificate of Insurance" as a condition of the Lease.

B. The Lessee shall also obtain and maintain Workers' Compensation insurance, required by law, to provide coverage for Lessee's employees throughout the term of this Lease Agreement. Lessee shall provide the Lessor with evidence of its compliance with such requirement prior to performing services under this Lease Agreement.

9. IDEMNIFICATION

The Lessee shall indemnify, hold harmless and defend the Lessor from all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising

from Lessee's use of the premises hereunder, as well as that of any of Lessee's employees, agents, representatives, guests or invitees and subcontractors.

10. THIRD PARTY BENEFICIARIES

By entering into this Lease Agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than the Lessor and the Lessee. No person shall claim any right, title or interest under this Lease or seek to enforce this Lease Agreement as a third party beneficiary of this Lease Agreement.

11. REPAIR AND MAINTENANCE

Lessee shall not cause or permit any waste, damage or injury to the Premises. Lessee shall, at its sole expense, keep and maintain the Premises in good condition, reasonable wear and tear excepted, and shall be responsible for payment of all necessary expenses of repairs and replacements that arise during Lessee's use of the Premises.

12. ALTERATIONS AND IMPROVEMENTS

Lessee shall make no alteration, addition or improvements to the Premises for the uses described in Article 2 herein without the prior written consent of the Lessor. Lessor shall have the right to require Lessee to remove any alterations, additions or improvements made, at Lessee's sole expense, upon termination of this Lease Agreement.

13. EASEMENTS

Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises.

14. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address

indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

Lessor:
City of Santa Fe
City Manager
P.O. Box 909
Santa Fe, NM 87504-0909

Lessee:
Daisy Lay II, LLC c/o
Richard K. Gordon
365 ½ Garcia St.
Santa Fe, NM 87501

15. NO WAIVER

No waiver of a breach of any of the covenants contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other requirements.

16. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

17. ENTIRE AGREEMENT

The foregoing constitutes the entire agreement between Lessor and Lessee, represents their entire understanding and defines all of their respective rights, title and interests as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the parties are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the parties.

18. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective successors and permitted assigns.

19. LITIGATION EXPENSE

In the event of litigation between the parties, the Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which the Lessor shall incur in enforcing this Lease or in recovering any and all damages caused to the Premises by Lessee, or Lessee's agents, employees or permitted assigns.

20. RECORDING

This Lease Agreement shall be recorded in its entirety. Lessee shall bear all costs for recording of the Lease Agreement and any other associated costs.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of this 28th day of January, 2012.

LESSOR:
CITY OF SANTA FE

David Coss
DAVID COSS, MAYOR

ATTEST:

Yolanda Y. Vigil
YOLANDA Y. VIGIL, CITY CLERK
cc mtg 11-9-11 *remml*


APPROVED AS TO FORM:

Geno Zamora
GENO ZAMORA, CITY ATTORNEY 1/19/12

APPROVED:
Melville L. Morgan 1/19/12
DR. MELVILLE L. MORGAN, FINANCE DIRECTOR

21117.460150
BUSINESS UNIT/LINE ITEM

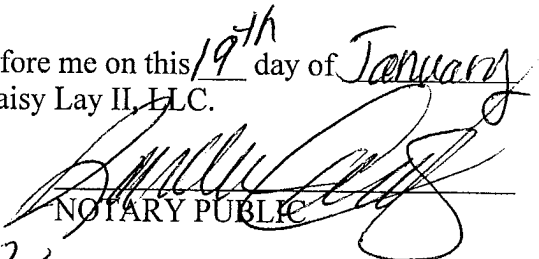
LESSEE:
DAISY LAY II, LLC


BY: JOSHUA BAUM,
MANAGING MEMBER

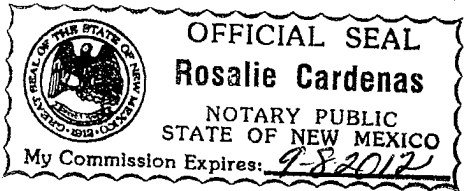
ACKNOWLEDGEMENT

STATE OF NEW MEXICO }
 }
COUNTY OF SANTA FE }

The foregoing instrument was acknowledged before me on this 19th day of January 2012 by Joshua Baum, Managing Member of Daisy Lay II, LLC.


NOTARY PUBLIC

My Commission Expires: September 8, 2012
(Seal)



Curve Table

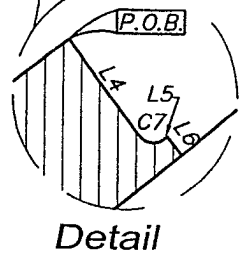
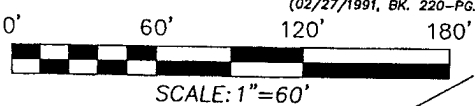
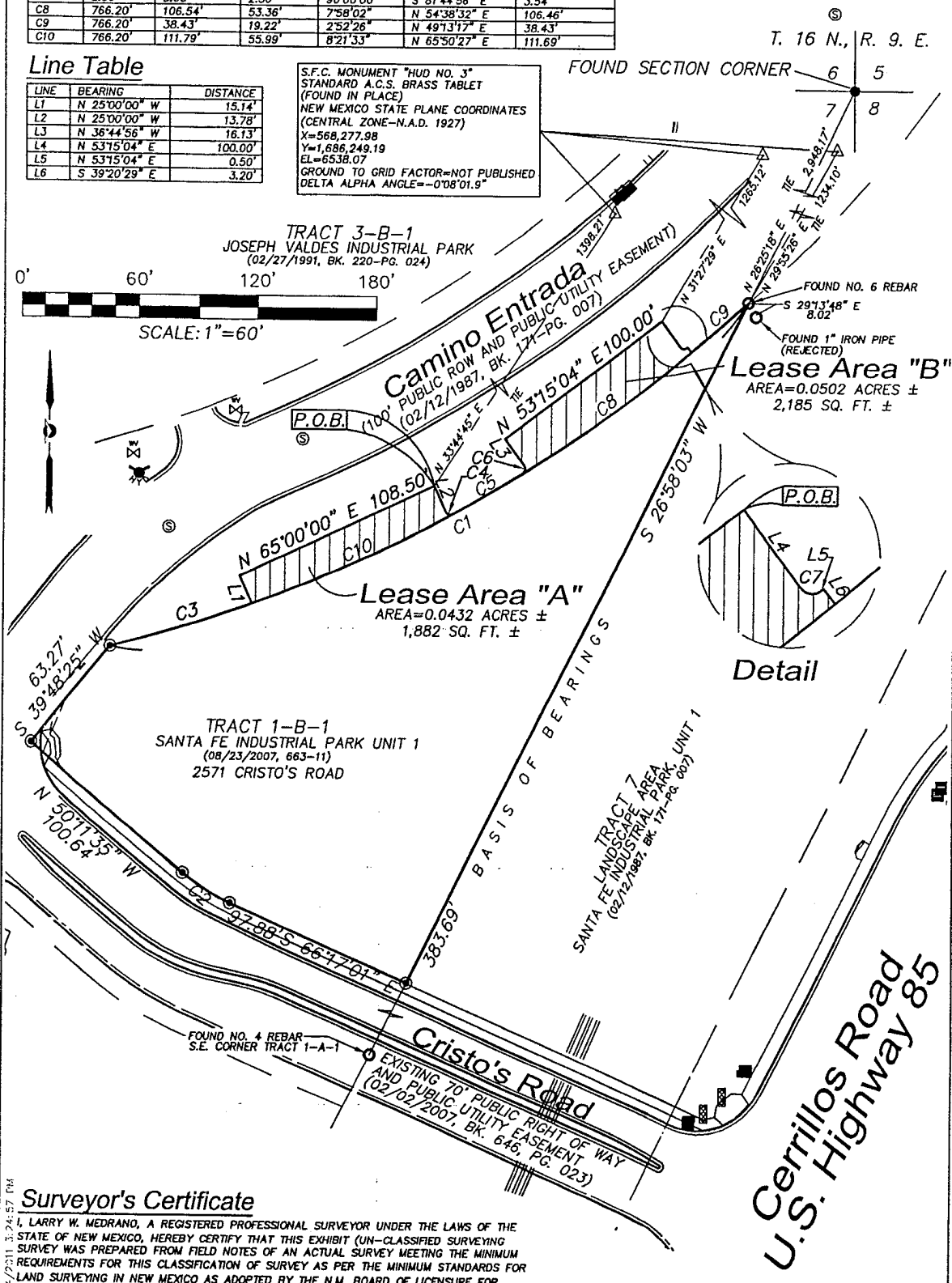
CURVE	RADIUS	ARC LENGTH	TANGENT	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	766.20'	372.17'	189.83'	27°49'50"	N 61°41'59" E	368.52'
C2	100.02'	28.37'	14.28'	16°14'58"	S 58°19'07" E	28.27'
C3	766.20'	74.81'	37.44'	5°35'41"	N 72°49'04" E	74.79'
C4	3.00'	4.89'	3.18'	93°20'19"	S 71°40'10" E	4.36'
C5	766.20'	40.59'	20.30'	3°02'08"	N 60°08'37" E	40.59'
C6	3.00'	4.99'	3.30'	95°22'29"	N 10°56'18" E	4.44'
C7	2.50'	3.93'	2.50'	90°00'00"	S 81°44'56" E	3.54'
C8	766.20'	106.54'	53.36'	7°58'02"	N 54°38'32" E	106.46'
C9	766.20'	38.43'	19.22'	2°52'26"	N 49°13'17" E	38.43'
C10	766.20'	111.79'	55.99'	8°21'33"	N 65°50'27" E	111.69'

EXHIBIT "A"

Line Table

LINE	BEARING	DISTANCE
L1	N 25°00'00" W	15.14'
L2	N 25°00'00" W	13.78'
L3	N 36°44'56" W	16.13'
L4	N 53°15'04" E	100.00'
L5	N 53°15'04" E	0.50'
L6	S 39°20'29" E	3.20'

S.F.C. MONUMENT "HUD NO. 3"
STANDARD A.C.S. BRASS TABLE
(FOUND IN PLACE)
NEW MEXICO STATE PLANE COORDINATES
(CENTRAL ZONE-N.A.D. 1927)
X=568,277.98
Y=1,686,249.19
EL=6538.07
GROUND TO GRID FACTOR=NOT PUBLISHED
DELTA ALPHA ANGLE=-0°08'01.9"



Surveyor's Certificate

I, LARRY W. MEDRANO, A REGISTERED PROFESSIONAL SURVEYOR UNDER THE LAWS OF THE STATE OF NEW MEXICO, HEREBY CERTIFY THAT THIS EXHIBIT (UN-CLASSIFIED SURVEYING SURVEY) WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY MEETING THE MINIMUM REQUIREMENTS FOR THIS CLASSIFICATION OF SURVEY AS PER THE MINIMUM STANDARDS FOR LAND SURVEYING IN NEW MEXICO AS ADOPTED BY THE N.M. BOARD OF LICENSURE FOR ENGINEERS AND SURVEYORS, AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Larry W. Medrano

09/14/2011



OFFICE LOCATION:
5571 Midway Park Place, NE
Albuquerque, NM 87109
MAILING ADDRESS:
PO Box 90436
Albuquerque, NM 87199

866-442-8011 TOLL FREE
505-856-5700 PHONE
505-856-7900 FAX

Sheet 4 of 4



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/9/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Reynolds Insurance 200 W. DeVargas St., Ste. 8 Santa Fe NM 87501		CONTACT NAME: Maria A Garcia PHONE (A/C No. Ext): (505) 467-6213 E-MAIL ADDRESS: bmedina@reynoldsinsurance.com PRODUCER CUSTOMER ID #: 00010804		FAX (A/C No): (505) 983-9145
INSURED Daisy Lay LLC, DBA: Josh's BBQ 365 1/2 Garcia Street #2 Santa Fe NM 87501		INSURER(S) AFFORDING COVERAGE		NAIC #
		INSURER A: Peerless Indemnity Ins Co		18333
		INSURER B:		
		INSURER C:		
		INSURER D:		
		INSURER E:		
		INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** CL1152704762 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY						
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	X		CBP8625506	3/16/2011	3/16/2012	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						MED EXP (Any one person) \$ 15,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY \$ 1,000,000
	AUTOMOBILE LIABILITY						GENERAL AGGREGATE \$ 3,000,000
	<input type="checkbox"/> ANY AUTO						PRODUCTS - COMP/OP AGG \$ 3,000,000
	<input type="checkbox"/> ALL OWNED AUTOS						
	<input type="checkbox"/> SCHEDULED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> HIRED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> NON-OWNED AUTOS						BODILY INJURY (Per accident) \$
	UMBRELLA LIAB						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> EXCESS LIAB						
	<input type="checkbox"/> OCCUR						
	<input type="checkbox"/> CLAIMS-MADE						EACH OCCURRENCE \$
	DEDUCTIBLE						AGGREGATE \$
	RETENTION \$						
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						WC STATUTORY LIMITS
	If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				OTHER
							E.L. EACH ACCIDENT \$
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Leased parking/licensing agreement per exhibit "A" on file.

CERTIFICATE HOLDER City of Santa Fe P O Box 909 Santa Fe, NM 87504-0909	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Jake Rodar/BM
---	---