**Document Instructions for Users**

**Interagency Lease Agreement**

This template has been reviewed and approved by the Attorney General and State Controller's offices. Any variations must be kept to a minimum as much of the language is required by the State of Colorado Constitution, State Statutes or policies. This template is suitable for most Interagency Lease situations.

All additions to this form must be in **bold type**. All deletions must be shown by ~~strike-through~~. This will allow reviewers of the lease to immediately determine if and where the lease differs from the standard form. When the wording is expected to be significantly changed to accommodate the agreement reached between the parties, the proposed language should be sent to Real Estate Programs for review and pre-approval.

All fields that require user input are marked with **[bold, bracketed text]**. Remove brackets when filling in the information. Terms and conditions unique to the particular lease should be succinctly stated under Additional Provisions in **bold type**. If a State Broker is utilized in negotiations, the broker should prepare this Lease Agreement.

This document contains a rent table in Article 1B. Rent Term Dates should be broken out by fiscal year, so that the total fiscal–year appropriation can be easily seen.

Users should consult [The Real Estate Program Policies and Procedures Manual](https://osa.colorado.gov/real-estate/policies-and-procedures) for program guidance. General principles of law, and specific related laws, also apply (i.e., contract law, real estate law, agency and partnership law).

Delete this page and remove watermark prior to contract finalization.

**State of Colorado**

**Department of Personnel and Administration**

**Office of the State Architect**

**Real Estate Programs**

 

# Interagency Lease Agreement – Real Property

Landlord: **[Insert Landlord’s Name]**

Tenant: **[Insert Tenant’s Name]**

Location: **[Insert Location]**

## Signature Page

IN WITNESS WHEREOF, the Parties hereto have executed this **Lease.**

**Lessor/Landlord:**

**STATE OF COLORADO**

Jared S. Polis, Governor

The Department of **[Insert Department Name]**

By:

Name:

Title:

Date:

**Office of the State Architect (OSA)**

Real Estate Manager (or authorized Delegate)

By:

Date:

**State Office of Risk Management** (if needed, as determined by OSA or OSC)

State Risk Manager (or authorized Delegate)

By:

Date:

**Legal Review** (if needed, as determined by OSA or OSC)

Philip J. Weiser, Attorney General

Attorney General (or authorized Delegate)

By:

Date:

**Lessee/Tenant:**

**STATE OF COLORADO**

Jared S. Polis, Governor

The Department of **[Insert Department Name]**

By:

Name:

Title:

Date:

**All contracts must be approved by the State Controller:**

C.R.S. § 24-30-202 requires that the State Controller approve all State contracts. This contract is not valid until the State Controller, or such assistant as he may delegate, has signed it. The Landlord is not authorized to begin performance until the contract is signed and dated below. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the good and/or services provided.

**Office of the State Controller (OSC)**

Robert Jaros, State Controller

State Controller (or authorized Delegate)

By:

Effective Date:

**Interagency Lease Agreement – Real Property**

THIS INTERAGENCY LEASE AGREEMENT ("Lease") made this **[Insert Final Draft Date]** by and between the STATE OF COLORADO acting by and through the Department of **[Insert Landlord Name]** whose address or principal place of business is **[Insert Landlord Address]**, hereinafter referred to as "Landlord", and THE STATE OF COLORADO acting by and through the Department of **[Insert Tenant Name]** whose address is **[Insert Tenant Address],** hereinafter referred to as "Tenant". Both Landlord and Tenant may be referred to individually as a “Party” and shall collectively hereinafter be referred to as “Parties” to this Lease.

## RECITALS:

WHEREAS, Landlord is willing to lease the Premises, defined herein, and Tenant desires to lease the Premises pursuant to the terms of this Lease; and

WHEREAS, Authority to enter into this Lease exists under Colorado Revised Statute (C.R.S.) § 24-1-136.5(7) and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

## Premises, Term, Rent.

1. Landlord hereby leases and demises unto Tenant the Premises, hereinafter referred to as "Premises" within the building located **at [Insert Leased Address]**, hereinafter referred to as "Building" (including land, improvements and other rights appurtenant thereto). The Premises, known and described as **[Insert Leased Description]**, includes approximately **[Insert Rented Square Feet In Text And Number Format]** rentable square feet; the Premises as attached hereto and incorporated by reference herein as "Exhibit A".
2. TO HAVE AND TO HOLD the same, together with all appurtenances, unto Tenant, for the term beginning the later of **[Insert Lease Begin Date]** or the date the Colorado State Controller approves the Lease (“Commencement Date”), and ending **[Insert Lease End Date],** at and for a monthly rental (the “Monthly Rent”) for the full term as shown below: **[Insert Rented Square Feet In Number Format]** sq. ft.

| **Term Dates (by Fiscal Year)**  | **Negotiated****Annual****Rent****RSF** | **Real Estate Property****TaxesRSF** | **Adjusted Annual****RentRSF** | **Monthly Rent** | **Fiscal Year Base Rent** |
| --- | --- | --- | --- | --- | --- |
|  | **$**  | **($)** | **$** | **$** | **$** |
|  | **$**  | **($)** | **$** | **$** | **$** |
|  | **$**  | **($)** | **$** | **$** | **$** |

1. § 39-3-124 C.R.S. exempts real property leased by the State of Colorado from the levy and collection of property taxes. Therefore, the Adjusted Annual Rent/RSF as shown above does not include the **[Insert County]** County Property Taxes known at the time of drafting to be **$[Insert Real Estate Property TAX]**/RSF, or any tax based upon real property as defined and required by Article 2; when the current year Taxes are known, the Monthly Rent payment shall be adjusted accordingly. The Property Tax is estimated as known at the time of drafting this document. The Parties agree to regular reconciliation of property tax exemptions.
2. Rent shall be received by the first day of each month during the term hereof, through an interdepartmental transfer approved by Tenant for the benefit of Landlord, subject to the limitations and conditions as noted in Section 15 and 18 herein.
3. If the term herein commences on a day other than the first day of a calendar month, then Tenant shall pay to Landlord the rental for the number of days that exist prior to the first day of the succeeding month, with a similar adjustment being made at the termination of this Lease.

## Use Of Premises.

1. Tenant agrees that the Premises shall be used and occupied only as **[Insert Use Type (i.e. Office, Industrial, Garage, etc.)]** in a careful, safe and proper manner, and that it will pay on demand for any damage to the Premises caused by the misuse of same by it, its guests, invitees, agents, or employees.
2. Tenant shall not use or permit the Premises to be used for any purposes prohibited by the laws or regulations of the United States or the State of Colorado, the ordinances of **[Insert County]** County, or other governmental entity with jurisdiction.
3. Tenant shall not use or keep any substance or material in or about the Premises which may vitiate or endanger the validity of the insurance on the Building or increase risks associated with the use or occupancy of the Premises, or which may prove offensive or annoying to persons occupying adjacent premises.
4. Tenant shall not permit any nuisance in the Premises.

## Services by Landlord.

1. Landlord shall provide to Tenant during the occupancy of said Premises, as a part of the rental consideration, the following:
2. **[Insert Landlord Services]**

## Work Requirements.

1. Prior to the premises being occupied by Tenant, Landlord agrees to:
2. **[Insert Landlord Work Requirements]**

## Maintenance of Premises/entry by Landlord.

Landlord shall, unless herein specified to the contrary, maintain the Premises in good repair and in tenantable condition during the term of this Lease, except in the event of damage rising from an act or the negligence of Tenant, its agents or employees. Tenant shall not commit or allow any waste or damage to be committed on any portion of the Premises. At the termination of this Lease, by lapse of time or otherwise, Tenant shall deliver up the Premises to Landlord in as good condition as at date of possession by Tenant, ordinary wear and tear excepted. Landlord shall have the right to enter the Premises at reasonable times for the purpose of making necessary inspections and repairs or maintenance.

## Alterations To Premises.

1. Tenant shall not make any structural or non-structural changes or alterations to the Premises without the prior written approval of Landlord, which approval may be withheld at the sole and absolute discretion of Landlord. This includes, but is not limited to, any change or alteration which, in the sole discretion of Landlord, impairs the structural soundness or diminishes the value of the building(s) on the Premises; impacts the exterior appearance of the Premises; changes the interior configuration of the Premises; or adversely impacts the functioning of the wiring, plumbing, heating, air conditioning, sewer, or other similar systems.
2. Tenant shall not install any exterior lighting or plumbing fixtures, shades, or awnings, or any exterior decorations or painting, or build any fences or make any changes to the outside of the Premises without the prior written consent of Landlord which approval may be withheld at the sole and absolute discretion of Landlord. All alterations, additions, improvements, and fixtures that may be made or installed by either of the parties hereto upon the Premises or improvements thereon and which in any manner are attached to the floors, walls or ceilings shall be the property of Landlord and at the termination of this Lease shall remain upon and be surrendered with the Premises as a part thereof.

## Ownership.

The State of Colorado is the owner of the Premises. Landlord warrants and represents itself to be the authorized agent of the State of Colorado for the purposes of granting this Lease.

## Lease Assignment.

Tenant shall not assign this Lease and shall not sublet the Premises, and will not permit the use of the Premises to anyone, other than Tenant, its servants, agents or employees, without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. The parties hereby agree that any assignment or transfer shall be limited to another State agency or institution with a similar business use.

## Consent.

Unless otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval shall not be unreasonably withheld or delayed and shall be deemed to have been given if no response is received within 30 days of the date request was made. If either party withholds any consent or approval, such party shall, on written request, deliver to the other party a written statement giving the reasons therefore.

## Damage and Destruction.

In the event the Premises are rendered untenantable or unfit for Tenant's purposes by fire or other casualty, this Lease will immediately terminate and no rent shall accrue to Landlord from the date of such fire or casualty. In the event the Premises are damaged by fire or other casualty so that there is a partial destruction of the Premises or such damage as to render the Premises partially untenantable or partially unfit for Tenant's purposes, either party may, within five (5) days of such occurrence, terminate this Lease by giving written notice to the other party. Such termination shall be effective not less than fifteen (15) days from the date of mailing of the notice. Rent shall be apportioned to the effective date of termination.

## Condemnation.

If the whole or substantially all of the Premises shall be taken as a result of the exercise of the power of eminent domain, this Lease shall terminate as of the date of vesting of title of the Premises or delivery of possession, whichever event shall first occur, pursuant to such proceeding. Any award granted for either partial or complete taking regarding the Premises shall be the exclusive property of Landlord.

## Tenant’s Personal Property.

All personal property of any kind or description whatsoever in the Premises shall be at the Tenant’s sole risk, and Landlord shall not be liable for any damage done to or loss of such personal property. If Tenant shall fail to remove all its effects from the Premises upon the termination of this Lease for any cause whatsoever, Landlord, at its option, may remove the same in any manner that it shall chooses, and store the said effects without liability to the Tenant for loss thereof. Within thirty (30) days after termination of this Lease, Landlord shall provide written notice to Tenant of any personal property items removed. Tenant agrees to pay the Landlord on demand any and all expenses incurred in such removal.

## Early Termination.

This Lease may be terminated by either party hereto with sixty (60) days prior written notice to the other party.

## Breach of Lease.

Any failure of either party to perform or comply with any of the terms of this Lease shall constitute a breach of the Lease. The parties agree that no act or omission shall be deemed an event of default and a breach of the Lease unless the non-defaulting party shall have given the defaulting party notice of the alleged default and fourteen (14) days to cure the same. Any dispute concerning the performance of this Lease that cannot be resolved at the divisional level shall be referred to superior departmental management staff designated by each department. Failing resolution at that level, disputes shall be presented to the executive directors of each department for resolution. Failing resolution by the executive directors, the dispute shall be submitted in writing by both parties to the State Controller, whose decision on the dispute shall be final and binding on all parties. The State Controller may at his/her option refer the dispute to the State Attorney General or his/her designee whose decision on the dispute shall be final and binding on all parties. In the event that the dispute is referred to the Attorney General, the parties hereto shall share equally all fees and costs attendant to the Attorney General’s resolution of the dispute.

No waiver of any breach of any one or more of the conditions or covenants of this Lease by Landlord shall be deemed to imply or constitute a waiver of any succeeding or other breach hereunder.

## Holding Over.

If Tenant fails to vacate the Premises upon expiration or sooner termination of this Lease, Tenant shall be a month-to-month Tenant and subject to all the laws of the State of Colorado applicable to such tenancy. The rent to be paid by Tenant during such continued occupancy shall be the same being paid by Tenant as of the date of expiration or sooner termination. Nothing in this section shall be construed as relieving either party of its obligation to execute a new or extended lease agreement to cover future lease periods, as required by State of Colorado Fiscal Rules and the provisions of C.R.S. § 24-30-202, as amended.

## Fiscal Funding.

Financial obligations of both Landlord and Tenant after the current fiscal year are contingent on funds for that purpose being appropriated, budgeted, and otherwise made available.

## Federal Funding.

In the event that any or all funds for payment of this Lease are provided by the federal government, this Lease is subject to and contingent upon the continuing availability of federal funds for the purposes hereof, and if such funds are not made available, this Lease may be unilaterally terminated by the Tenant at the end of any month provided a thirty (30) day advance notice of termination is given to the Landlord in writing.

## Notice.

Any notice required or permitted by this Lease may be delivered in person or sent by registered or certified mail, return receipt requested, to the party at the address as hereinafter provided, and if

sent by mail it shall be effective when posted in a U.S. Mail Depository with sufficient postage attached thereto:

**[Insert Landlord Street Address]**

**[Insert Tenant Address]**

C: Real Estate Programs

 Attn: Real Estate Specialist

 1525 Sherman Street, Suite 500

 Denver, CO 80203

Notice of change of address shall be treated as any other notice.

## Liability Exposure.

The parties hereto understand and agree that liability for claims for injuries to persons or property arising out of the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of C.R.S. §§ 24-10-101, and 24-30-1501 et seq. Any provision of this Lease, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the Landlord and the Tenant to the above cited laws.

## No Violation of Law.

The signatories hereto aver that they are familiar with C.R.S. § 18-8-101 et seq. (Bribery and Corrupt Influences) and C.R.S. § 18-8-401 et seq. (Abuse of Public Office) and that no violation of such provisions is present.

## Applicable Law.

The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution and enforcement of this Lease.

## Colorado Special Provisions.

1. Statutory Approval. § 24-30-202(1) C.R.S. This Lease shall not be valid until it has been approved by the Colorado State Controller or designee. If this Lease is for a Major Information Technology Project, as defined in § 24-37.5-102(2.6), C.R.S., then this Lease shall not be valid until it has been approved by the State’s Chief Information Officer or designee.
2. Fund Availability. § 24-30-202(5.5) C.R.S. Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
3. Employee Financial Interest. Subject to C.R.S. § 24-18-201, and § 24-50-507, the signatories aver that to their knowledge, no State employee has any personal or beneficial interest whatsoever in the service or property described herein.

## General Provisions

1. Captions. The captions and headings in this Lease are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.
2. Construction Against Drafter. In the event of an ambiguity in this Lease the rule of Lease construction that ambiguities shall be construed against the drafter shall not apply and the Parties hereto shall be treated as equals and no Party shall be treated with favor or disfavor.
3. Complete Agreement. This Lease, including all exhibits, supersedes any and all prior written or oral agreements and there are no covenants, conditions or agreements between the parties except as set forth herein. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent novation, renewal, addition, deletion or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to the State of Colorado Fiscal Rules.
4. Counterparts. This Lease may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
5. Digital Signatures. If any signatory signs this Lease using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Lease by reference.
6. Entire Understanding. This Lease represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.
7. Extinguishment and Replacement. This Lease extinguishes and replaces any prior leases between the Parties related to the Premises upon the Commencement Date hereof.
8. Modification.
	1. By the Parties. Except as specifically provided in this Lease, modifications hereof shall not be effective unless agreed to in writing by the Parties in an amendment hereto, properly executed and approved in accordance with applicable Colorado State law, State Fiscal Rules, and Office of the State Controller Contract, Grant, and Purchase Order Policies, including, but not limited to, the policy entitled Modification of State Contracts and Grants.
	2. By Operation of Law. This Lease is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Lease on the effective date of such change, as if fully set forth herein.
9. Successors and Assigns/Severability. The captions and headings used in this Lease are for identification only, and shall be disregarded in any construction of the Lease provisions. All of the terms of this Lease shall inure to the benefit of and be binding upon the respective heirs, successors, and assigns of both the Landlord and the Tenant. If any portion, clause, paragraph, or section of this Lease shall be determined to be invalid, illegal, or without force by a court of law or rendered so by legislative act, then the remaining portions of this Lease shall remain in full force and effect.
10. Subordination. This Lease is subordinated to any and all existing and future liens of Landlord, including, but not limited to, ground leases, mortgages and deeds of trust.

## Controller's Approval.

Effective Date. The effective date of this Lease shall not be prior to the date signed by the State Controller or his designee. In accordance with the requirements of C.R.S § 24-30-202 (1), as amended, this Lease shall not be deemed valid until it has been approved by the State Controller, or such assistant as he may designate.

## Additional Provisions.

**[Insert any additional provisions]**

**End of Main Body of Contract.**

## Exhibit A

Premises