STATE OF COLORADO
STATE BUILDINGS AND REAL ESTATE PROGRAMS
REAL ESTATE PROGRAMS - POLICIES AND PROCEDURES MANUAL

CHAPTER 4 - LEASING FORMS

Lease Forms

Standard forms for various lease requirements are located on the REP website:

Gross Lease Agreement*
Interagency Lease Agreement
Amendment to Lease**

Additional form templates:

Easement/License/Parking Agreements
State-Owned Property

*For budgetary and accounting reasons, the State of Colorado will no longer enter into Base Year or NNN Lease forms. The only lease form the State will enter into is a true Gross lease without any additional expenses paid by the tenant.

**Agencies and Institutions should use the Amendment to Lease form for all lease amendments, including renewals and extensions of the lease term.

Gross Lease Agreement

This Lease Agreement is suitable for most commercial leasing requirements. The form has been reviewed and approved by the Attorney General and State Controller's offices. It does not contain Additional Rent provisions.

Any variations to the standard lease form must be kept to a minimum since much of the language is required by the State of Colorado Constitution, State Statutes or policies and therefore cannot be changed. If at any time a user of this form determines that a certain paragraph should not be included, simply strike through the entire paragraph following such paragraph's number and title. This will allow reviewers of the lease to immediately determine if and where the lease differs from the standard form. Subsequent paragraphs need not be

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renumbered to preserve sequential numbering. Any additions to the standard form language must be in **bold type**.

Any terms and conditions unique to a particular lease may be succinctly stated under Additional Provisions in **bold type**.

When the wording of the standard lease is expected to be significantly changed to accommodate the agreement reached between the parties, the proposed language must be sent to Real Estate Programs for review and pre-approval before signature.

It should be noted that language that addresses specific laws or other state requirements <u>must</u> be in every lease. Presently the following seven paragraphs from our standard lease contain such language:

- 8. Eminent Domain
- 9. Damage and Destruction
- 10. Fiscal Funding
- 12. Federal Funding
- 15. Tenant's Tax Exempt Status
- 20. Colocation
- 22. No Violation of Law
- 23. Colorado Special Provisions

If the landlord refuses to accept this language then, barring unusual circumstances, the State **cannot** lease the premises.

If a State Broker is utilized in negotiations, the broker will prepare the Lease Agreement.

Interagency Lease Agreement

The Interagency Lease Agreement is used for leasing of space where both Lessor and Lessee are State agencies. The form has been reviewed and approved by the Attorney General's and the State Controller's offices.

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Unlike the State's other standard lease forms, this Interagency Lease Agreement provides a

greatly simplified paragraph on fiscal funding contingency, (#15). Another paragraph provides

for arbitration by the State Controller in the event of any dispute between the parties, (#14).

Additionally, this form does not require an approval by (nor signature block for) the Attorney

General.

Few modifications are used on this form, however, some may occasionally be appropriate. It is

a good idea to have those pre-approved by Real Estate Programs. If a state service broker is

not used due to the nature of interagency lease agreements, then agencies and institutions

should engage Real Estate Programs for lease drafting and/or lease review.

Amendment to Lease

The Amendment to Lease form is used for changes to existing leases, such as addition or

reduction of space utilized, change of rental rate, as well as lease extensions or renewals of the

lease term including renewal options. If several changes to the Lease Agreement are required,

the Lease Amendment form is appropriately used for all of the changes on one form at one time.

Within the seven-county metro area and in Pueblo or El Paso Counties, the State Broker should

be utilized for negotiation and preparation of an Amendment to Lease. Lease amendments must

be cleared through the entire approval process, just as it would be for a new lease.

Easement/License/Parking Agreements and State Owned Property Agreements

These templates exist also on the REP website, however are less commonly used. Agencies

and institutions should review the forms, and contact REP for questions and consultation.

Accessibility for All

A paramount goal of the State as well as REP policy is that all properties under consideration

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meet and comply with all applicable sections of the Americans with Disabilities Act ("ADA"). These requirements must be considered in every step during the completion of a lease agreement and possible build-out of space. If the potential preferred property is not ADA-compliant, the parties must obtain from the Lessor a timetable for completion of necessary building modifications in the course of finalizing the lease. In addition, all State-requested tenant improvements to the leased space must be constructed so that they are ADA compliant.

With the passage of § 24-85-101, C.R.S., the state affirms its commitment to improve access to information, including electronic information, for individuals with a disability. § 9-5.7-101, C.R.S. seeks to promote the public welfare by providing access to non-gendered restroom facilities and equitable access to baby diaper changing stations in public restrooms. Agencies and Institutions are responsible for implementation of all applicable statutes.

Reporting to Real Estate Programs

Agencies and Institutions, whether they have an appointed delegate or not, are responsible for timely reporting of all new leases, amendments and extensions to the Real Estate Specialist who is responsible for maintaining accurate records. Regular reporting to Real Estate Programs is required to maintain an accurate inventory of all state leased property.

C.R.S. § 24-30-1303.5(1) "The office shall obtain and maintain a correct and current inventory of all real property owned by or held in trust for the state or any state agency or state institution of higher education, and, in cooperation with the attorney general, correct any defects in title to said real property necessary to vest marketable title in the state."