

**LEASE AGREEMENT
AMENDMENT NO. 1**

Amendment No. 1 to the Lease Agreement made this 1 day of September, 2012, by and between Payson Place, LLC, an Arizona limited liability company, hereinafter referred to as "Lessor" and Gila County, Arizona, for the benefit of the Gila County Attorney's Office, hereinafter referred to as "Lessee."

RECITALS

WHEREAS, Landlord leased certain Premises to Lessee in Suite 3 on the attached site plan, in Payson Place located at 616 South Beeline Highway, City of Payson, County of Gila, State of Arizona, pursuant to that certain Lease agreement dated September 20, 2011, hereinafter referred to as the "Lease", in which the Premises are more particularly described; and,

WHEREAS, Lessor and Lessee are mutually desirous of amending the terms of the Lease as provided herein below.

NOW, THEREFORE, Lessor and Lessee hereby mutually agree as follows:

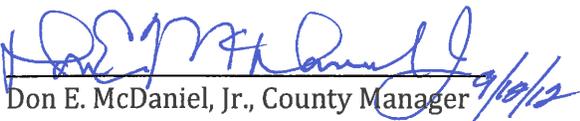
1. To renew the lease for a term of one (1) year beginning on September 1, 2012, and expiring August 31, 2013. The monthly rent for this lease will be Seven Hundred Dollars (\$700) plus 2.62% (\$18.34) privilege tax. (Privilege tax is comprised of a 0.5% tax charged by the State of Arizona and 2.12% tax charged by the Town of Payson.)

Lessee will pay rent of \$4,200.00 plus privilege tax of \$110.04 for six (6) month's rent. The Lessor, 4848 E. Cactus Rd Suite 505 Box 109, Scottsdale, AZ 85254; will send an invoice for each six (6) months of the lease, as applicable, within thirty (30) days of the due date. In the event this lease is terminated, Lessor will return to Lessee all unexpended prepaid rent.

All other terms and conditions of the Lease Agreement, unless specifically amended hereby, shall remain in full force and effect through the end of the extended lease term.

TENANT:

Gila County Arizona

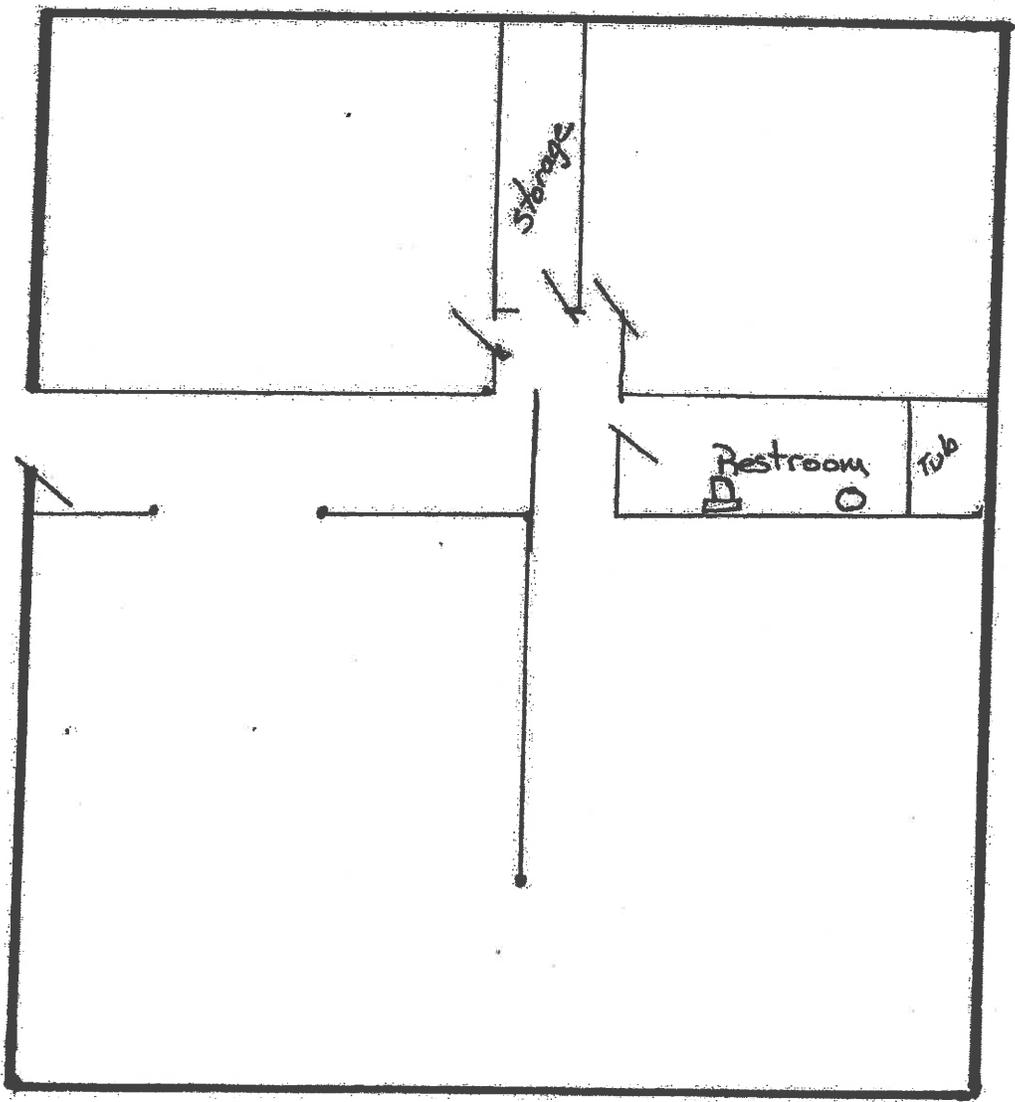

Don E. McDaniel, Jr., County Manager 9/10/12

LANDLORD:

Payson Place, LLC


Brent Meszaros, Managing Member

Suite 3



LEASE AGREEMENT

This Lease is made between Payson Place LLC, an Arizona limited liability company, hereinafter Lessor and Gila County, Arizona, for the benefit of the Gila County Attorney's Office, hereinafter Lessee.

Lessor does hereby lease to Lessee the following described premises: 616 South Beeline Highway, Suite #3, Payson, Arizona, 85541, known as Payson Place.

Lessor will be responsible for the maintenance of the roof and exterior of the building. Lessee will be responsible for maintenance of the leased portion of the building including light fixtures, plumbing and electrical.

Lessor will be responsible for all utilities with the exception of telephone and cable.

Lessor will maintain heating and cooling equipment.

Lessee shall be liable at all times during this lease for liability insurance of \$50,000 minimum.

Lessor shall be responsible for insurance on glass.

All alterations, remodeling and exterior signs are subject to Lessor's approval.

The term of this lease shall be from September 1, 2011 to August 30, 2012, with the option to renew. Rent may be negotiated based on market at the end of this lease term if the option to renew is accepted.

The monthly rent for this lease will be Seven Hundred Dollars (\$700.00) plus 2.4% (\$16.80) privilege tax. (Privilege tax is comprised of a 0.5% tax charged by the State of Arizona and 1.9% tax charged by the Town of Payson.)

Lessee will pay rent of \$ \$4,200.00 plus privilege tax of \$100.80 for six (6) month's rent. The Lessor, P.O. Box 7307, Phoenix, Arizona, 85011, will send an invoice for each six (6) months of the lease, as applicable, within thirty (30) days of the due date. In the event this lease is terminated, Lessor will return to Lessee all unexpended prepaid rent.

Lessor acknowledges that the Lessee is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event the public funds are unavailable and are not appropriated for the performance of Lessee's obligations under this contract, then this contract shall automatically expire without penalty to Lessor after written notice to Lessee of the unavailability and non-appropriation provisions for its convenience or to circumvent the requirements of this contract, by only as an emergency fiscal measure.

Lessor agrees to defend, indemnify and hold harmless Gila County from all losses, liability, claims or expenses (including reasonable attorney's fees) arising from bodily injury, including death or property damage, to any person or persons caused in whole or in part of the negligence or misconduct of Lessor, except to the extent same are caused by the negligence or willful misconduct of Lessee. It is the intent of this section to require the provider to indemnify Gila County, Lessor, to the extent permitted under Arizona Law.

Lessee accepts premises in an as is condition. At the expiration of this Lease, Lessee agrees to return possession of the premises to Lessor in as good condition as received, reasonable wear and tear expected.

If rent is not paid when due and the Lessee fails to pay rent within five (5) days after written notice, the Lessor may terminate this Lease reserving rights to recover damages, obtain injunctive relief and recover possession by action in forcible detainer. Lessee and Lessor agree that in any legal action the prevailing party will be awarded attorney's fees.

This lease is subject to the cancellation provisions of A.R.S. §38-511.

Dated this 20th day of September, 2011.

Lessee:

GILA COUNTY BOARD OF SUPERVISORS



Tommie C. Martin, Chairman
Board of Supervisors

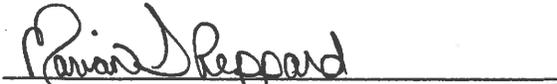
Lessor:

PAYSON PLACE LLC



Managing Member of Payson Place LLC
Brent Meszaros

ATTEST



Marian Sheppard, Chief Deputy Clerk of the Board

APPROVED AS TO FORM:



Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

FIRST AMENDMENT TO LEASE

This First Amendment to Lease made this 14th day of August, 2008, by and between Payson Place, L.L.C. an Arizona limited liability company, hereinafter referred to as "Lessor" and Gila County, Arizona, for the benefit of the Gila County Attorney's Office, hereinafter referred to as "Lessee".

RECITALS

WHEREAS, Landlord leased certain Premises to Lessee in Suite 3 on the attached site plan, in Payson Place located at 616 S Beeline Hwy., City of Payson, County of Gila, State of Arizona, pursuant to that certain Lease Agreement dated October 1, 2007, hereinafter referred to as the "Lease", in which the Premises are more particularly described; and,

WHEREAS, Lessor and Lessee are mutually desirous of amending the terms of the Lease as provided herein below.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby mutually agree as follows:

1. To renew the lease for a term of one year beginning 9/1/08 and expiring 8/31/2010. The monthly rent for this lease will be Seven Hundred Dollars (\$700.00) plus 2.4% (\$16.80) privilege tax. (Privilege tax is comprised of a .5% tax charged by the State of Arizona and 1.9% tax charged by the Town of Payson).

For convenience of the parties the Lessee will pay rent of \$2,100 plus privilege tax of \$50.40 for three (3) months rent or \$4,200 plus privilege tax of \$100.80 for six (6) months rent. Final terms defined upon acceptance of this Lease. The Lessor through Valley Management, P. O. Box 7307, Phoenix, Arizona 85011, will send an invoice for each three (3) months or six (6) months of the lease, as applicable, within thirty days of due date. In the event this lease is terminated, Lessor will return to Lessee all unexpended prepaid rent.

All other terms and conditions of the Lease October 1, 2007, unless specifically amended hereby, shall remain in full force and effect through the end of the Extended Lease Term.

TENANT:

Gila County Arizona

By: *[Signature]*
Chairman, Gila County Board of Supervisors

LANDLORD:

Payson Place LLC

By: *[Signature]*
Brent Meszaros
Its: Managing Member

Approved:

By: *[Signature]*
For Gila County Attorney

09-01-08
TO
08-31-10

LEASE

This Lease is made between Payson Place, LLC, an Arizona limited liability company, hereinafter Lessor and Gila County, Arizona, for the benefit of the Gila County Attorney's Office, hereinafter Lessee.

Lessor does hereby lease to Lessee the following described premises: 616 South Beeline Highway, Suite #3, Payson, Arizona 85541, known as Payson Place.

Lessor will be responsible for the maintenance of the roof and exterior of the building. Lessee will be responsible for maintenance of the leased portion of the building including light fixtures, plumbing and electrical.

Lessor will be responsible for all utilities with the exception of telephone and cable.

Lessor will maintain heating and cooling equipment.

Lessee shall be liable at all times during this lease for liability insurance of \$50,000 minimum.

Lessor shall be responsible for insurance on glass.

All alterations, remodeling and exterior signs are subject to L

A Security Deposit of \$500.00 is due with the first month's r

The term of this lease shall be from September 1, 2007 to Au
Rent may be negotiated based on market at the end of this
accepted.

09-01-07
TO
08-30-08

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The monthly rent for this lease will be Five Hundred Dollars (\$500.00) plus 2.4% (\$12.00) privilege tax. (Privilege tax is comprised of a .5% tax charged by the State of Arizona and 1.9% tax charged by the Town of Payson).

For convenience of the parties the Lessee will pay rent of \$1,500 plus privilege tax of \$36.00 for three (3) months rent or 3,000 plus privilege tax of \$72.00 for six (6) months rent, together with the \$500.00 security deposit. Final terms defined upon acceptance of this Lease. The Lessor through Valley Management, P. O. Box 7307, Phoenix, Arizona 85011, will send an invoice for each three (3) months or six (6) months of the lease, as applicable, within thirty days of due date. In the event this lease is terminated, Lessor will return to Lessee all unexpended prepaid rent.

Lessor acknowledges that the Lessee is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event the public funds are unavailable and are not appropriated for the performance of Lessee's obligations under this contract, then this contract shall automatically expire without penalty to Lessor after written

notice to Lessee of the unavailability and non-appropriation provisions for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure.

Lessor agrees to defend, indemnify and hold harmless Gila County from all losses, liability, claims or expenses (including reasonable attorney's fees) arising from bodily injury, including death or property damage, to any person or persons caused in whole or in part by the negligence or misconduct of Lessor, except to the extent same are caused by the negligence or willful misconduct of Lessee. It is the intent of this section to require the provider to indemnify Gila County, Lessor, to the extent permitted under Arizona Law.

Lessee accepts premises in an as is condition. At the expiration of this Lease, Lessee agrees to return possession of the premises to Lessor in as good condition as received, reasonable wear and tear expected.

If rent is not paid when due and the Lessee fails to pay rent within five days after written notice, the Lessor may terminate this Lease reserving rights to recover damages, obtain injunctive relief and recover possession by action in forcible detainer. Lessee and Lessor agree that in any legal action the prevailing party will be awarded attorney's fees.

This lease is subject to the cancellation provisions of A.R.S. §38-511.

Dated this 1 day of October, 2007.

Lessor: Payson Place LLC

By R Brent Meszaros
Managing Member of Payson Place LLC
C/o Valley Management, P. O. Box 7307, Phoenix, Arizona
R Brent Meszaros

Lessee: Gila County Arizona

By Jai M Sanchez 10/16/07
Chairman, Gila County Board of Supervisors

Approved:
[Signature]
Gila County Attorney

for

Suite 3

