

LEASE AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, _____ by and between:

LESSOR: _____

and

LESSEE: _____

WITNESSETH: For and in consideration of the covenants to be performed by Lessee, the Lessor does hereby lease, let and demise to the Lessee those certain premises located in the City of _____, _____, described as: _____

ADDRESS: _____

APPROXIMATE SQUARE FEET:

OFFICE _____

UTILITY _____

WAREHOUSE _____

TOTAL _____

FOR CONSIDERATION of the covenants to be performed, the parties hereto agree as follows:

1. Business purpose:

The premises are to be used for the purpose of _____

Lessee further agrees to continuously and actively operate the business defined herein above, at the leased premises, during the term of this lease.

Note: There are ____ pages of attached Exhibits or Addendum's to this lease.

INFORMATION ONLY

initials _____

2. Term:

The term of this lease shall be for a period of _____ commencing _____, _____, and ending on _____.

3. Rent:

The Lessee shall pay to the Lessor the monthly base rent in lawful money of the United States, in advance, on the _____ day of each month throughout the term of this lease. Said monthly base rent is payable as follows:

- a. Payment of rent in the amount of \$ _____ for the period of _____, a security/cleaning deposit of \$ _____, and other payment(s) for _____ are hereby acknowledged;
- b. The monthly sum of \$ _____ for the first lease year;
 the monthly sum of \$ _____ for the second lease year;
 the monthly sum of \$ _____ for the third lease year;
 the monthly sum of \$ _____ for the fourth lease year;
 the monthly sum of \$ _____ for the fifth lease year;
- c. The rent shall be payable at the office of the Lessor or such other place as the Lessor may designate in writing.
- d. _____

4. Late Payment Fee:

In the event that the monthly rent or any other payment, fee, or charge is not received by the Lessor within 10 days of the date said payment is due, Lessee agrees to pay a late payment fee in the amount of \$ _____ for each occurrence, in addition to monthly interest charge of 1.5% per month, accrued on any and all unpaid rent or other charges then unpaid.

5. Option for Renewal:

It is agreed that the Lessee shall have the option to renew this lease on the same terms and conditions, for an additional term of _____ year(s) with the exception of rent which shall be the minimum base monthly sum of \$ _____ for the _____ lease year: _____

Lessee shall give notice in writing prior to _____ days before the termination of this lease, or any extended term of this lease, of Lessee's intent to exercise this option for renewal.

6. Increase in Property Taxes:

Lessee agrees to reimburse Lessor for any increase in real estate property taxes or any ad valorem tax fee or charge levied on the property in general or the Lessee in specific. If the charge is general, the Lessee shall pay only their pro rata share based on the percentage of the total rentable area that the Lessee occupied or occupies. 20____/20____ shall be considered the base tax year for this lease.



7. Liability/Insurance:

Lessee covenants and agrees that they will at all times indemnify and save Lessor harmless from and against any claims or demands or causes of action of whatsoever kind or character for damages to persons or property or otherwise and any and all liability arising out of the use or misuse of the premises by Lessee, their agents, servants, employees, invitees or any persons going thereon while the premises are in the custody of the Lessee provided however, that Lessee shall not indemnify or hold harmless Lessor from or against any claims, demands or causes of action arising out of Lessor's gross negligence, recklessness or willful misconduct. Lessee shall keep and maintain in full force and effect a good and sufficient liability policy insuring against all losses with respect to which Lessor is indemnified hereunder with limits of not less than One Million Dollars (\$1,000,000.00) combined single limit.

8. Care of Premises:

Lessee agrees to keep and maintain the premises in good order and repair.

9. Liens and Insolvency:

The Lessee shall not permit any liens or encumbrances of any kind or nature, including liens for labor furnished or materials supplied on or about the premises, and shall hold harmless and indemnify the Lessor from any and all charges or costs incurred thereby. In the event of the insolvency, bankruptcy, or assignment for the benefit of creditors of the Lessee, this lease shall immediately terminate and come to an end and Lessor shall have the right to immediately retake the premises without notice or other action of law.

10. Assignments:

This lease shall not be assigned by Lessee without first having obtained written consent from the Lessor, which consent shall not be unreasonably withheld. This lease shall not be assignable by operation of law. If consent is once given by the Lessor to the assignment of the lease, or any interest therein, Lessor shall not be barred from afterward refusing to consent to any further assignment.

11. Default and Re-entry:

Time is of the essence of this lease. In the event Lessee breaches or fails to perform any material term, condition, or obligation applicable to Lessee under this lease, and said breach or failure to perform is not cured by Lessee within fifteen (15) days after Lessee's receipt of Lessor's written notice setting forth the breach or failure to perform, Lessor may terminate this lease by giving written notice of termination to Lessee, and upon such termination, Lessor may re-enter and take possession of the premises to the exclusion of the Lessee. This remedy shall be in addition to all other remedies provided by law. If the breach or failure to perform is the nonpayment of rent or other sums due by the terms of this Lease and the rent is then ten (10) days in arrears from the due date stated in paragraph 3 above, Lessor shall give the notice required by this section; provided, however, that if Lessor has already given such notice for non-receipt of payment twice in the same 12-month period, Lessor need not give Lessee notice of non-receipt of payment a third time in said 12-month period in order to declare a default and terminate this Lease.

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In the event that Lessee is doing or permitting something to occur that is dangerous, offensive, or prevents a neighboring business to continue with normal operation and with the specific right of quiet enjoyment, Lessor may give Lessee a five (5) day notice demanding the cessation of the offensive act or conduct. If the Lessee fails to cure, remedy, or stop the activity as defined in the demand, the Lessor may declare the lease in default and re-enter the premises.

12. Costs and Attorneys Fees:

If by reason of any default on the part of either party hereto, in the performance of any of the provisions of this lease, it becomes necessary for the other party to employ an attorney, the said party which the court decides is in default agrees to pay all costs, expenses and attorney fees expended or incurred by the other party in connection therewith as may be decided by the court.

13. Non-waiver of Breach:

The failure of the Lessor to insist upon strict performance on any of the covenants and agreements of this lease, or to exercise any option herein conferred in any one or more instances, shall not be constructed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

14. Holdover:

Any holding over after the expiration of said term, with the consent of the Lessor, shall be for an indefinite period of time on a month-to-month basis, and at a minimum monthly rental rate of \$_____ / month, which tenancy may be terminated as provided by laws of the State of Oregon, and during such tenancy the Lessee agrees to pay the Lessor the same rate of rental as set forth herein and agrees to be bound by all of the terms, covenants and conditions as herein specified, so far as applicable unless said terms are changed by Lessor with not less than 30 days prior notice in writing. Either party may terminate this holdover month-to-month tenancy with not less than thirty (30) days prior notice in writing.

15. Removal of Improvements:

Upon the expiration of this lease, or any extension thereof or termination by mutual agreement, Lessee may be required to remove from the premises all improvements made thereon by Lessee but shall not remove improvements placed thereon by Lessee if so requested by the Lessor. Lessee, if not in default under this lease, shall retain the absolute right to remove Lessee's trade fixtures and equipment from the premises. Lessee shall be responsible to repair or pay for any damage incurred to the premises by or during the removal and/or at the initial installation of any improvements or equipment.

16. Successors and Assigns:

The conditions, covenants and terms of this lease shall be binding upon the respective parties and their successors and assigns.

17. Venue:

In the event of any legal action arising out of this lease, the venue of said action shall be in _____

initials _____



18. Landlord's Lien:

Lessor shall have a landlord's lien for any unpaid rent upon the equipment or furnishings placed in or upon the premises by Lessee, and the remedies provided by law.

19. Fire Provisions:

(a) If the building in which the premises are located is destroyed by fire or other casualty to an extent in excess of 40 percent of its sound value, the Lessor may or may not elect to reconstruct. If the Lessor elects not to reconstruct, this lease shall terminate as of the date of the fire; but if the Lessor elects to reconstruct, the rent shall be abated to cover the entire period between the day of the fire and the day on which the premises are placed in a tenantable condition. If the building in which the premises are located is destroyed by fire to an extent less than 40 percent of its sound value, the Lessor shall repair the premises with all convenient speed and the Lessee shall vacate that part of the premises required for the purpose of repair and for the period between the day of the fire and the day the premises have been placed in tenantable condition. The rent shall be abated in proportion to the interference with the occupancy of the Lessee.

(b) If fire or any other casualty shall render the premises inhabitable, this lease shall terminate forthwith and any prepayments of rent shall be refunded by Lessor pro rata; provided, however, that if the premises can be repaired within 180 days from the date of such event, then, at Lessor's option, by notice in writing to Lessee, mailed within thirty (30) days from the date of such damage or destruction that Lessor elects to repair within such 180 day period, this lease shall remain in full force and effect, but the rent for the period during which the premises are inhabitable shall be abated pro rata. If Lessor elects to repair the premises, as aforesaid, said work shall be undertaken and prosecuted with all due diligence and speed. In the event of a termination of this lease pursuant to this article rent shall be apportioned on a per diem basis and paid to the date of the fire or other casualty.

20. Utilities, Services and Other Costs:

Lessor shall be responsible for payment of the following items: _____

Lessee shall be responsible for payment of the following items: _____

Lessee shall order and pay for all services required by Lessee and: _____.

Lessee shall reimburse Lessor for _____ monthly.

Other Costs: Lessee agrees to reimburse Lessor for any increased cost or charge of the operation of the property caused by Lessee's use or occupancy of the premises.



21. Eminent Domain:

If the whole of or any substantial part of the premises are taken by any public authority under the power of eminent domain, or taken in any manner for any public or quasi-public use, so as to render the remaining portion of the premises unsuitable for the purposes intended hereunder, then the term of this lease shall cease as of the day possession shall be taken by such public authority and Lessor shall make a pro rata refund of any prepaid rent. All damages awarded for such taking under the power of eminent domain or any like proceedings shall belong to and be the property of Lessor, Lessee hereby assigning to Lessor Lessee's interest, if any, in said award.

22. Common Areas:

Lessee shall have full access and use of all parking, driveways and sidewalks, and no exclusive right to use or occupy any specific common area. No overnight storage or parking of any vehicles or equipment on the premises other than specifically allowed business vehicles or equipment is permitted. If the Lessor deems it necessary, Lessee understands that Lessor may designate assigned parking spaces based on the square footage of the building space occupied by Lessee. Lessee has the right only to occupy the interior of the specific leased building premises. Nothing outside of the building may be occupied by the Lessee without the express written permission of the Lessor. No exterior storage of any vehicle, equipment, or any other item is permitted without the specific permission by the Lessor.

23. Signs:

Lessee shall erect no sign outside the building without the Lessor's consent. Lessor shall install, at Lessee's expense, a uniform type of business sign. Lessee shall be allowed, within the sign, the use of any distinctive lettering, logo or other business trade style. The perimeter area or frame color, size and dimensions shall be uniform in design as defined by Lessor.

24. Window Coverings:

Lessee shall install no drapes or other type window coverings on any exterior windows without the Lessor's consent.

25. Repair and Maintenance:

(a) Lessor's Responsibilities:

- i. all exterior building maintenance
- ii. landscape and common area maintenance
- iii. exterior lighting
- iv. repair and maintain roof, exterior walls, maintenance of exterior doors and glass and the structural components of the building premises including utility lines to the building.
- v. Other: _____



initials _____

(b) Lessee's Responsibilities:

- i. reimburse Lessor for Lessee caused damage.
- ii. interior of building maintenance, including all plumbing, light bulbs and ballasts installed on the premises and janitorial service.
- iii. Lessee shall do no remodel or renovation of the leased premises without the prior written consent of the Lessor.
- iv. Other: _____

26. Hazardous or Toxic Materials:

Lessee agrees that Lessee shall not treat, store or dispose of Hazardous Material on the premises or common area except in accordance with any law, ordinance, rule or regulation of any governmental authority having jurisdiction of the premise or common area. If Lessee breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the premises or common area caused or permitted by Lessee results in contamination of the premises or common area, then Lessee shall indemnify, defend and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses, including, without limitation, diminution of value of the premises or common area, damages for the loss or restriction of the use of rentable or usable space or of any adverse impact on marketing of space on the premise or common area, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the lease term as a result of such contamination. This indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial removal or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present at or on the premises, in the soil or ground water on or under the premises or common area, diminution of value of the premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the premises or common area, damages arising from any adverse impact on marketing of space in the building, and sums paid in settlement of claims, attorneys' fees, consultant fees, laboratory fees and expert fees. Without limiting the foregoing, if the presence of any Hazardous Material on the premises or common area caused or permitted by Lessee results in any contamination of the premises or common area, Lessee shall promptly take all actions at its sole expense as are necessary to return the premises or common area to the condition existing prior to the contamination of the premises or common area by any such Hazardous Material, provided; however, the Lessor's approval of such action shall first be obtained, which approval shall not be unreasonably withheld.

As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Oregon, or the United States government, including, without limitation, any material or substance which is (a) defined as a "hazardous substance" in CERCLA 42 USC 9601(14), (b) defined as a "pollutant or contaminant" in CERCLA, 42 USC 9604(a)(2), or (c) defined as a "hazardous waste" in RCRA, 42 USC 6903(5).



27. Notices:

Any notice required by the terms of this lease to be given by one party hereto to the other or desired to be given, shall be sufficient if in writing contained in a sealed envelope, deposited in the U.S. Registered Mails with postage fully prepaid, and addressed to the Lessor or Lessee at the following addresses:

LESSOR:

LESSEE:

Phone: _____

Phone: _____

Emergency contact _____

Emergency contact: _____

Any such notice shall be deemed conclusively to have been delivered to the address thereof 72 hours after the deposition of said notice in U.S. Registered Mails.

28. Force Majeure:

Whenever either party is required hereunder to do or complete any act, matter or thing, the time for completion thereof shall be extended by a period of time equal to the number of days which such party is prevented from or is unreasonably interfered with the doing or completion of such act, matter or thing because of strikes, lockouts, embargoes, unavailability of labor or materials, wars, insurrections, rebellions, declarations or national emergencies, acts of God, or other causes beyond such party's reasonable control. Nothing herein contained shall excuse the Lessee from the prompt payment of all moneys required to be paid by the Lessee hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this instrument to be effective the date first written above.

LESSOR:

LESSEE:

By: _____

By: _____, _____

Title

By: _____

By: _____, _____

Title

Dated: _____

Dated: _____



initials _____
