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**LEASE**

Lease made September 27, 1991, between the CITY OF NORTH BONNEVILLE, a municipal corporation of the State of Washington whose address is P.O. Box 7, North Bonneville, Skamania County, Washington, herein referred to as Lessor, and Mid-Columbia Children's Council, Inc. whose address is 2809 Van Horn Drive Hood River, OR 97031, hereinafter referred to as Lessee.

**Recitals**

1. Lessor is the sole owner of the premises described below, hereinafter called "the premises".

2. Lessee desires to lease the premises for the purpose of establishing a Pre-School Headstart Program.

3. The parties desire to enter into a lease agreement defining their rights, duties and liabilities relating to the premises.

In consideration of the mutual covenants contained herein, the parties agree as follows:

**SECTION ONE**  
**Subject and Purpose**

Lessor leases to Lessee the premises located in the City of North Bonneville, Skamania County, Washington, and more particularly described as follows:

Space C8 162 (1890 sq. ft.), Plat of Relocated North Bonneville,

together with Kelvinator Range and Kelvinator Refrigerator and other appurtenances thereon.

**SECTION TWO**  
**Term, Rent and Monthly Accounting**

1. The term of this lease shall be Thirty-six months commencing on the 1st day of January, 1992, and ending on the 31st day of December, 1994.

2. Rental rates shall be .12/sq. ft. providing a base rent of \$226.80 per month (leasehold tax exempt Washington #08241-001), to be paid as follows:

a. The first payment in the amount of \$226.80 shall be due on January 1, 1992. Subsequent monthly rental payments, as provided above, shall be due on the first day of each succeeding calendar month.

3. If the monthly rental payment is not received by lessor within ten (10) days of the due date, Lessee agrees to pay to Lessor an additional sum of \$10.00.

4. If the monthly rental payment is not received by Lessor within twenty (20) days of the due date, Lessee agrees to pay Lessor an additional sum of \$20.00, said sum being reasonable damages and not a penalty. Said damage amount shall accrue as an additional amount in default and bear interest at the rate of 12% per annum until paid.

**SECTION THREE**  
**Security Deposit**

Lessor shall waive the normal security deposit of \$250.00. N/A  
 REAL ESTATE EXCISE TAX

MAR 18 1992

PAID N/A

deputy  
 SKAMANIA COUNTY TREASURER

3-18-92

on

**SECTION FOUR**  
**Use of Premises**

Lessee shall use the premises during the term of this lease for a Pre-School Head Start Program.

**SECTION FIVE**  
**Repairs**

1. Lessee shall, at all times during the term of this lease, and at their own cost and expense, repair, replace and maintain in a good, safe and substantial condition, the interior of the building, including any improvements, additions and alterations thereto of the demised premises, and shall use all reasonable precaution to prevent waste, damage or injury to the demised premises.

2. The Lessee shall, at all times during the term of this lease, and at Lessee's own cost and expense, keep the access walkway and lot free of litter, debris and garbage and provide for removal and disposal of same.

3. Lessor shall, at all times during the term of this lease, and at Lessor's own cost and expense, repair, care for and maintain the exterior of the building and any improvements, additions and alterations thereto on the demised premises, and shall provide access walkway snow removal to the demised premises.

**SECTION SIX**  
**Acceptance of Premises**

Lessee has examined the leased premises and accepts them in their present condition.

**SECTION SEVEN**  
**Alterations and Improvements**

Lessee shall obtain prior approval and permits for alterations or improvements to or upon the premises or installation or removal of any fixtures (other than trade fixtures owned by Lessee which can be removed without injury to the premises).

**SECTION EIGHT**  
**Inspection**

Lessor reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this Lease; provided, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Lessor hereunder shall impose no obligation on the Lessor to make inspections to ascertain the condition of the premises and shall impose no liability upon the Lessor for failure to make such inspections.

**SECTION NINE**  
**Taxes**

Lessee shall pay to the proper authority on or before the last day on which payment may be made without penalty or interest, all applicable taxes due the State of Washington, assessments or other governmental charges that shall or may, during the lease term, be imposed on, or arise in connection with the use of, the demised premises or any part thereof.

FILED FOR RECORD  
SKAMANIA CO. WASH.  
BY *Spencer Brumfield*  
*Van Orman*  
MAR 18 1 26 PM '92  
*P. Lowry*  
GARY H. OLSON

**SECTION TEN**  
**Utilities**

All applications and connections for necessary utility services on the demised premises shall be made in the name of Lessee only, and Lessee shall be solely liable for utility charges as they become due, including but not limited to sewer, water, gas, electricity and telephone services.

**SECTION ELEVEN**  
**Insurance**

1. Fire Insurance. At all times during the term of this lease and for any further time that Lessee shall hold the demised premises, Lessee shall obtain and maintain, at its expense, fire insurance on all buildings and improvements on the demised premises, including all alterations and additions thereto in an amount equal to the current full replacement cost of the demised premises, excluding the cost of excavation and of foundations.

2. Personal Injury and Property Damage Insurance. During the term of this lease and for any further time that Lessee shall hold the demised premises, Lessee shall obtain and maintain, at its expense, personal injury and liability insurance in amounts and in forms of insurance policies as may from time to time be required by Lessor.

3. Other Insurance. Lessee shall provide and keep in force other insurance in amounts that may from time to time be required by Lessor against other insurable hazards as are commonly insured against for the type of business activity that Lessee will conduct.

4. All insurance provided by Lessee as required by this section shall be carried in favor of Lessor and Lessee, as their respective interests may appear, and, in the case of insurance against damage to the demised premises by fire or other casualty shall provide that loss, if any, shall be adjusted with and be payable to Lessor. All insurance shall be written with responsible companies that Lessor shall approve, and the policies shall be held by Lessor. All policies shall require thirty (30) days' notice by registered mail to Lessor of any cancellation or change affecting any interest of Lessor.

**SECTION TWELVE**  
**Unlawful or Dangerous Activity**

Lessee shall neither use nor occupy the demised premises or any part thereof for any unlawful, disreputable or ultrahazardous business purpose nor operate or conduct its business in a manner constituting a nuisance of any kind. Lessee shall, immediately on discovery of any unlawful, disreputable or ultrahazardous use, take action to halt such activity.

**SECTION THIRTEEN**  
**Indemnity**

Lessee, by signing this lease, does indemnify, save and hold harmless Lessor against all losses, damages, costs, changes, expenses, judgments, liabilities and claims of every kind, including reasonable attorneys' fees (including those arising in establishing indemnification of any kind), asserted by or on behalf of any person or entity arising directly or indirectly from:

- (1) Any unreasonable delay in performance or any failure by Lessee to perform any of the terms or conditions of this Lease;

- (2) Any personal injury or property damage occurring on or about the demised premises;
- (3) Failure by Lessee to comply with any law of any government authority;
- (4) Any mechanic's lien or security interest files against the demised premises, or any equipment, materials or improvements thereon; and
- (5) Occupancy and use of the demised premises for the conduct of business, as stated herein, by Lessee, Lessee's employees, agents, suppliers, customers and any other individuals or entities directly or indirectly associated with Lessee's occupancy and use of the demised premises.

#### **SECTION FOURTEEN** **Default or Breach**

Each of the following events shall constitute a default or breach of this lease by Lessee:

1. If Lessee, or any successor assignee of Lessee, while in possession, shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.
2. If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee, or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed or the receivership or trusteeship vacated within ninety (90) days after the institution or appointment.
3. If Lessee shall fail to pay Lessor any rent when same shall become due and shall not make payment within five (5) days after notice in writing by Lessor to Lessee.
4. If Lessee shall fail to perform or comply with any of the conditions of this Lease, and if nonperformance continues for a period of five (5) days after notice by Lessor or, if performance cannot be reasonably had within the 5-day period, Lessee shall not in good faith have commenced performance with the five-day period and shall not diligently proceed to completion of performance.
5. If Lessee shall vacate or abandon the demised premises.

#### **SECTION FIFTEEN** **Effect of Default**

In the event of any default hereunder, as set forth in Section Fourteen the rights of Lessor shall be as follows:

1. Lessor shall have the right to cancel and terminate this lease, as well as of the right, title and interest of Lessee hereunder, by giving to Lessee not less than thirty (30) days' notice of the cancellation and termination. On expiration of the time fixed in this notice, this lease and the right, title and interest of Lessee hereunder, shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.



2. Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

3. Lessor may re-enter the premises immediately and remove the property and personnel of Lessee and store the property in a public warehouse or at a place selected by Lessor, at the expense of the Lessee. After reentry, Lessor may terminate the lease on giving five (5) days written notice of termination to Lessee. Without the notice, reentry will not terminate the lease. On termination, Lessor may recover from Lessee all damages resulting from the breach, including the cost of recovering the premises, and the value of the balance of this lease, over and above the reasonable rental value of the premises for the remainder of the lease term, which sum shall be immediately due Lessor from Lessee.

4. After reentry, Lessor may relet the premises or any part thereof for any term without terminating the lease, at such rent and upon such terms as Lessor may choose. Lessor may, at any time after a reletting, terminate the lease for the breach on which Lessor has based the reentry and subsequently relet the premises.

#### **SECTION SIXTEEN**

##### **Access to Premises; Signs Posted by Lessor**

Lessee shall permit Lessor or its agents to enter the demised premises at all reasonable hours to inspect the premises or make repairs that Lessee may neglect or refuse to make in accordance with the provisions of this Lease.

#### **SECTION SEVENTEEN**

##### **Compliance with Laws and Regulation**

Lessee agrees to comply with all applicable rules and regulation of the Lessor pertaining to the premises now in existence or hereafter promulgated for the general safety and convenience of the Lessor, its various tenants, invitees, licensees and the general public. Lessee further agrees to comply with all applicable federal, state and municipal laws, ordinances and regulations. Any fees for any inspection of the premises during or for the lease term by any federal, state or municipal officer and for any so-called "Certificate of Occupancy" shall be paid by Lessee.

#### **SECTION EIGHTEEN**

##### **Easements, Agreements or Encumbrances**

The parties shall be bound by all existing easements, agreements and encumbrances of record relating to the demised premises, and Lessor shall not be liable to Lessee for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that hold thereunder.

**SECTION NINETEEN**  
**Quiet Enjoyment**

Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Lessor if Lessee pays rent and other charges provided herein and otherwise fully and punctually performs the terms and conditions imposed upon Lessee hereunder.

**SECTION TWENTY**  
**Liability of Lessor**

Lessee shall be in exclusive control and possession of the demised premises, and Lessor shall not be liable for any injury or damages to any property or to any person on or about the demised premises nor for any injury or damage to any property of Lessee. The provisions herein permitting Lessor to enter and inspect the demised premises are made to insure that Lessee is in compliance with the terms and conditions hereof and to allow Lessor to make repairs that Lessee has failed to make. Lessor shall not be liable to Lessee for any entry on the premises for the inspection purposes.

**SECTION TWENTY-ONE**  
**Termination**

Lessee may terminate this agreement, effective at any time, by giving at least Thirty (30) days prior written notice specifying the reason for such termination. The right of Lessee to terminate shall be in addition to any other remedies it may have.

**SECTION TWENTY-TWO**  
**Waivers**

The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof shall be deemed a waiver of the rights or remedies that Lessor may have regarding that specific instance only and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

**SECTION TWENTY-THREE**  
**Notice**

1. All notices to be given with respect to this lease shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid and return receipt requested, to the party to be notified at the address set forth herein or at such other address as either party may from time to time designate in writing.

2. Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein.

**LESSOR:**

City of North Bonneville  
P.O. Box 7  
North Bonneville, WA 98639

**LESSEE:**

Mid-Columbia Childrens Council, Inc.  
2809 Van Horn Drive  
Hood River, OR 97031

**SECTION TWENTY-FOUR**  
**Assignment, Mortgage, or Sublease**

Neither Lessee nor successors or assigns shall assign, mortgage, pledge or encumber this lease or sublet the demised premises, in whole or in part, or permit the premises to be used or occupied by others, nor shall this lease be assigned or transferred by operation of law without the prior consent in writing of Lessor in each instance.

**SECTION TWENTY-FIVE**  
**Option to Renew; Rent**

Upon the natural expiration of the term of this lease, Lessee may at Lessee's option renew this lease, provided terms, management performance and conditions are negotiated satisfactory to both parties.

**SECTION TWENTY-SIX**  
**Total Agreement; Applicable to Successors**

This lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto. This lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors and assigns of both parties.

**SECTION TWENTY-SEVEN**  
**Applicable Law**

This agreement shall be governed by, and construed in accordance with, the laws of the State of Washington.

**SECTION TWENTY-EIGHT**  
**Time of the Essence**

Time is of the essence in all provisions of this lease.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed by their proper officers thereto authorized this 27<sup>th</sup> day of September, 1991.

LESSOR:

CITY OF NORTH BONNEVILLE

BY: Henry A. Laham  
HENRY A. LAHAM, Mayor

LESSEE:

MID-COLUMBIA CHILDREN'S  
COUNCIL, INC.

Suzanne [Signature]  
Executive Director

STATE OF WASHINGTON )  
 ) ss.  
County of Skamania )

On this day personally appeared before me Suzanne [Signature], to me known to be the individual described and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and seal this 27<sup>th</sup> day of Sept, 1991.

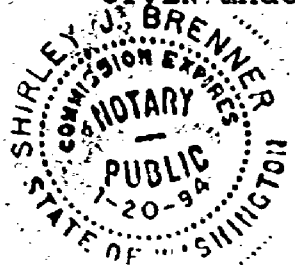


Shirley J. Brennan  
Notary Public in and for the  
State of Washington, residing at

STATE OF WASHINGTON     )  
                                  ) ss.  
County of Skamania     )

On this day personally appeared before me HENRY A. LAHAM, Mayor of the City of North Bonneville, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and seal this 27<sup>th</sup> day of Sept., 1991.



Shirley J. Brenner  
Notary Public in and for the  
State of Washington, residing at

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